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AZ CORP COMMISSION
DOCKET CONTROL

July 1, 2013

Arizona Corporation Commission

DOCKETED

JUL -2 2013

Docket Control

Arizona Corporation Commission

1200 West Washington

Phoenix, Arizona 85007

DOCKETED BY	ME
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RE: TUCSON ELECTRIC POWER COMPANY
DOCKET NO. E-01933A-12-0291

In compliance with Decision No. 73912 (June 27, 2013), Tucson Electric Power Company hereby files:

1. Schedule of Rates and Charges
2. Rules and Regulations
3. Purchased Power and Fuel Adjustment Clause Plan of Administration
4. Environmental Compliance Adjustor Plan of Administration
5. Lost Fixed Cost Recovery Mechanism Plan of Administration

The schedule of Rates and Charges and the Rules and Regulations were posted to the Tucson Electric Power Company website on July 1, 2013.

Sincerely,

Michael W. Patten

MWP:mi

Enclosures

cc: Docket Control (Original and 13 copies)
Brian Bozzo, Compliance, Utilities Division

Schedule of Rates and Charges



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 101

Superseding:

Residential Electric Service (R-01)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

To all single-phase or three-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

For those dwellings and apartments where electric service has historically been measured through two meters, when one of the meters was installed pursuant to the Residential Electric Water Heating Service Rate (R-02F) which is no longer in effect, the electric service measured by such meters shall be combined for billing purposes.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase or three-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge of Delivery Services:

Standard

Customer Charge, single-phase service and minimum bill	\$10.00 per month
Customer Charge, three-phase service and minimum bill	\$15.00 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh	\$12.50 per month
Customer Charge, three-phase with usage less than 2,000 kWh	\$17.50 per month

Customer Charge, single-phase with usage of 2,000 kWh or more	\$16.50 per month
Customer Charge, three-phase with usage of 2,000 kWh or more	\$21.50 per month

Energy Charges (\$/kWh):

Summer (May - September)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
0 - 500 kWh	\$0.056200	\$0.035111	varies	\$0.091311
501 - 1,000 kWh	\$0.067200	\$0.035111	varies	\$0.102311
1,001 - 3,500 kWh	\$0.079800	\$0.035111	varies	\$0.114911
Over 3,500 kWh	\$0.088200	\$0.035111	varies	\$0.123311

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-01
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 101-1

Superseding: _____

Winter (October - April)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
0 – 500 kWh	\$0.056200	\$0.031532	varies	\$0.087732
501 – 1,000 kWh	\$0.065200	\$0.031532	varies	\$0.096732
1,001 – 3,500 kWh	\$0.078100	\$0.031532	varies	\$0.109632
Over 3,500 kWh	\$0.087100	\$0.031532	varies	\$0.118632

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY LIFELINE DISCOUNT:

This discount is only available to new and eligible Lifeline Customers whose monthly bill shall be in accordance to the rate above except that a discount of \$9.00 per month shall be applied. No Lifeline discount will be applied that will reduce the bill to less than zero.

LIFELINE ELIGIBILITY

1. The TEP account must be in the customer's name applying for a lifeline discount.
2. Applicant must be a TEP residential customer residing at the premise.
3. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at www.tep.com or contact a TEP customer care representative.

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A Customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-01
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 101-2

Superseding:

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard		
Description	Single-Phase	Three-Phase
Meter Services	\$1.74 per month	\$2.60 per month
Meter Reading	\$1.17 per month	\$1.77 per month
Billing & Collection	\$5.04 per month	\$7.56 per month
Customer Delivery	\$2.05 per month	\$3.07 per month
Total	\$10.00 per month	\$15.00 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh		
Description	Single-Phase	Three-Phase
Meter Services	\$1.74 per month	\$2.60 per month
Meter Reading	\$1.17 per month	\$1.77 per month
Billing & Collection	\$5.04 per month	\$7.56 per month
Customer Delivery	\$2.05 per month	\$3.07 per month
LFCR	\$2.50 per month	\$2.50 per month
Total	\$12.50 per month	\$17.50 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more		
Description	Single-Phase	Three-Phase
Meter Services	\$1.74 per month	\$2.60 per month
Meter Reading	\$1.17 per month	\$1.77 per month
Billing & Collection	\$5.04 per month	\$7.56 per month
Customer Delivery	\$2.05 per month	\$3.07 per month
LFCR	\$6.50 per month	\$6.50 per month
Total	\$16.50 per month	\$21.50 per month

Filed By: Kentton C. Grant
 Title: Vice President of Finance and Rates
 District: Entire Electric Service Area

Rate: R-01
 Effective: July 1, 2013
 Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 101-3

Superseding:

Energy Charge Components (Unbundled):

Component	Summer (May – September)	Winter (October - April)
0 – 500 kWh	\$0.001800	\$0.004200
501 – 1,000 kWh	\$0.012800	\$0.013200
1,001 – 3,500 kWh	\$0.025400	\$0.026100
Over 3,500 kWh	\$0.033800	\$0.035100
Generation Capacity	\$0.039800	\$0.037400
Fixed Must Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charges:

	Summer (May – September)	Winter (October - April)
Base Power Component	\$0.035111	\$0.031532
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-01
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 102

Superseding:

Residential Time-of-Use (R-80)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

To all single-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

Customers must stay on this rate for a minimum period of one (1) year.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, single-phase service and minimum bill \$11.50 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$14.00 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$18.00 per month

Energy Charges (\$/kWh):

Summer (May – September)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.066800	\$0.050669	<i>varies</i>	\$0.117469
Off-Peak	\$0.051800	\$0.026679	<i>varies</i>	\$0.078479

Winter (October – April)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.056800	\$0.032893	<i>varies</i>	\$0.089693
Off-Peak	\$0.041800	\$0.027092	<i>varies</i>	\$0.068892

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-80
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 102-1

Superseding: _____

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY LIFELINE DISCOUNT:

This discount is only available to new and eligible Lifeline customers whose monthly bill shall be in accordance to the rate above except that a discount of \$9.00 per month shall be applied. No Lifeline discount will be applied that will reduce the bill to less than zero.

LIFELINE ELIGIBILITY

1. The TEP account must be in the customer's name applying for a lifeline discount.
2. Applicant must be a TEP residential customer residing at the premise.
3. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at www.tep.com or contact a TEP customer care representative.

TIME-OF-USE TIME PERIODS

The Summer On-Peak period is 2:00 p.m. to 8:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The Winter On-Peak periods are 6:00 a.m. - 10:00 a.m. and 5:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

ELECTRIC VEHICLES

Customers who own and operate Electric Vehicles will receive a 5% discount to the Base Fuel during the off-peak period and the PPFAC. Customers must provide documentation for highway approved Electric Vehicles.

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-80
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 102-2

Superseding: _____

DIRECT ACCESS

A Customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$2.00 per month
Meter Reading	\$1.34 per month
Billing & Collection	\$5.80 per month
Customer Delivery	\$2.36 per month
Total	\$11.50 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh	
Description	Single-Phase
Meter Services	\$2.00 per month
Meter Reading	\$1.34 per month
Billing & Collection	\$5.80 per month
Customer Delivery	\$2.36 per month
LFCR	\$2.50 per month
Total	\$14.00 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-80
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 102-3

Superseding:

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$2.00 per month
Meter Reading	\$1.34 per month
Billing & Collection	\$5.80 per month
Customer Delivery	\$2.36 per month
LFCR	\$6.50 per month
Total	\$18.00 per month

Energy Charge Components (Unbundled):

Summer (May - September)	On-Peak	Off-Peak
Delivery-Energy	\$0.011300	\$0.011300
Generation Capacity	\$0.040900	\$0.025900
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge

Summer (May - September)	On-Peak	Off-Peak
Base Power Component	\$0.050669	\$0.026679
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-80
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 102-4

Superseding: _____

Energy Charge Components (Unbundled):

Winter (October - April)	On-Peak	Off-Peak
Delivery-Energy	\$0.011300	\$0.011300
Generation Capacity	\$0.030900	\$0.015900
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge

Winter (October - April)	On-Peak	Off-Peak
Base Power Component	\$0.032893	\$0.027092
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-80
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 103

Superseding:

Residential Lifeline/Senior Discount (R-04-01F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase or three-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments. The applicant must be 65 years of age, or older, and reside at the premise to qualify.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase or three-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge of Delivery Services:

Standard

Customer Charge, single-phase service and minimum bill	\$ 6.90 per month
Customer Charge, three-phase service and minimum bill	\$11.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh	\$ 9.40 per month
Customer Charge, three-phase with usage less than 2,000 kWh	\$14.40 per month

Customer Charge, single-phase with usage of 2,000 kWh or more	\$13.40 per month
Customer Charge, three-phase with usage of 2,000 kWh or more	\$18.40 per month

Energy Charges (\$/kWh)

	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
Summer (May – September)	\$0.0611	\$0.033198	varies	\$0.094298
Winter (October – April)	\$0.0570	\$0.025698	varies	\$0.082698

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-04-01F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 103-1
Superseding: _____

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the Standard Customer Charge, Delivery Charges, and Power Supply Charges:
0 - 300 kWh	35%
301 - 600 kWh	30%
601- 1,000 kWh	25%
1001- 1,500 kWh	15%
Over 1,500 kWh	0%

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-04-01F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 103-2

Superseding:

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard		
Description	Single-Phase	Three-Phase
Meter Services	\$1.20 per month	\$2.07 per month
Meter Reading	\$0.81 per month	\$1.39 per month
Billing & Collection	\$3.48 per month	\$6.00 per month
Customer Delivery	\$1.41 per month	\$2.44 per month
Total	\$6.90 per month	\$11.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh		
Description	Single-Phase	Three-Phase
Meter Services	\$1.20 per month	\$2.07 per month
Meter Reading	\$0.81 per month	\$1.39 per month
Billing & Collection	\$3.48 per month	\$6.00 per month
Customer Delivery	\$1.41 per month	\$2.44 per month
LFCR	\$2.50 per month	\$2.50 per month
Total	\$9.40 per month	\$14.40 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more		
Description	Single-Phase	Three-Phase
Meter Services	\$1.20 per month	\$2.07 per month
Meter Reading	\$0.81 per month	\$1.39 per month
Billing & Collection	\$3.48 per month	\$6.00 per month
Customer Delivery	\$1.41 per month	\$2.44 per month
LFCR	\$6.50 per month	\$6.50 per month
Total	\$13.40 per month	\$18.40 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-04-01F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 103-3

Superseding:

Energy Charge Components of Delivery Services (Unbundled):

Component	Summer (May – September)	Winter (October - April)
Local Delivery-Energy	\$0.013800	\$0.011300
Generation Capacity	\$0.032700	\$0.031100
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge:

	Summer (May – September)	Winter (October - April)
Base Power Component	\$0.033198	\$0.025698
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-04-01F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 104

Superseding:

Residential Lifeline/Senior Discount (R-04-21F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments. The applicant must be 65 years of age, or older, and reside at the premise to qualify.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, single-phase service and minimum bill \$ 8.86 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$11.36 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$15.36 per month

Energy Charges (\$/kWh):

Summer (May – September)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.0788	\$0.053198	varies	\$0.131998
Off-Peak	\$0.0301	\$0.023198	varies	\$0.053298

Winter (October – April)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.0652	\$0.040698	varies	\$0.105898
Off-Peak	\$0.0330	\$0.020698	varies	\$0.053698

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-04-21F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 104-1

Superseding:

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the Standard Customer Charge, Delivery Charges, and Power Supply Charges:
0 - 300 kWh	35%
301 - 600 kWh	30%
601 - 1000 kWh	25%
1001 - 1500 kWh	15%
Over 1500 kWh	0%

TIME-OF-USE TIME PERIODS

The Summer On-Peak period is 10:00 a.m. to 10:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The Winter On-Peak periods are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-04-21F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 104-2

Superseding:

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$1.54 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.47 per month
Customer Delivery	\$1.82 per month
Total	\$8.86 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh	
Description	Single-Phase
Meter Services	\$1.54 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.47 per month
Customer Delivery	\$1.82 per month
LFCR	\$2.50 per month
Total	\$11.36 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$1.54 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.47 per month
Customer Delivery	\$1.82 per month
LFCR	\$6.50 per month
Total	\$15.36 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-04-21F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 104-3

Superseding:

Energy Charge Components of Delivery Services (Unbundled):

Summer (May – September)	On-Peak	Off-Peak
Local Delivery-Energy	\$0.011300	\$0.011300
Generation Capacity	\$0.052900	\$0.004200
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge

Summer (May – September)	On-Peak	Off-Peak
Base Power Component	\$0.053198	\$0.023198
PPFAC	In accordance with Rider 1 - PPFAC	

Energy Charge Components of Delivery Services (Unbundled):

Winter (October – April)	On-Peak	Off-Peak
Local Delivery-Energy	\$0.011300	\$0.011300
Generation Capacity	\$0.039300	\$0.007100
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge

Winter (October – April)	On-Peak	Off-Peak
Base Power Component	\$0.040698	\$0.020698
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
 Title: Vice President of Finance and Rates
 District: Entire Electric Service Area

Rate: R-04-21F
 Effective: July 1, 2013
 Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 105

Superseding:

Residential Lifeline/Senior Discount (R-04-70F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments. The applicant must be 65 years of age, or older, and reside at the premise to qualify.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, single-phase service and minimum bill \$ 8.78 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$11.28 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$15.28 per month

Energy Charges (\$/kWh):

Summer (May – September)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.139300	\$0.055698	varies	\$0.194998
Shoulder	\$0.074000	\$0.048198	varies	\$0.122198
Off-Peak	\$0.037900	\$0.023198	varies	\$0.061098

Winter (October – April)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.092500	\$0.040698	varies	\$0.133198
Off-Peak	\$0.024900	\$0.020698	varies	\$0.045598

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-04-70F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 105-1

Superseding: _____

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the Standard Customer Charge, Delivery Charges, and Power Supply Charges:
0- 300 kWh	35%
301- 600 kWh	30%
601- 1,000 kWh	25%
1001- 1,500 kWh	15%
Over 1,500 kWh	0%

TIME-OF-USE TIME PERIODS

The Summer On-Peak period is 1:00 p.m. to 6:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day). The summer Shoulder period is 6:00 p.m. to 8:00 p.m. Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The Winter On-Peak periods are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-04-70F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 105-2

Superseding: _____

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$1.52 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.43 per month
Customer Delivery	\$1.80 per month
Total	\$8.78 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh	
Description	Single-Phase
Meter Services	\$1.52 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.43 per month
Customer Delivery	\$1.80 per month
LFCR	\$2.50 per month
Total	\$11.28 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-04-70F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 105-3

Superseding:

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$1.52 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.43 per month
Customer Delivery	\$1.80 per month
LFCR	\$6.50 per month
Total	\$15.28 per month

Energy Charge Components of Delivery Services (Unbundled):

Summer (May – September)	On-Peak	Shoulder-Peak	Off-Peak
Local Delivery-Energy	\$0.011300	\$0.011300	\$0.011300
Generation Capacity	\$0.113400	\$0.048100	\$0.012000
Fixed Must-Run	\$0.003000	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:			
System Control & Dispatch	\$0.000100	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT			

Power Supply Charge

Summer (May – September)	On-Peak	Shoulder-Peak	Off-Peak
Base Power Component	\$0.055698	\$0.048198	\$0.023198
PPFAC	In accordance with Rider 1 – PPFAC		

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-04-70F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 105-4

Superseding:

Energy Charge Components of Delivery Services (Unbundled):

Winter (October – April)	On-Peak	Off-Peak
Local Delivery-Energy	\$0.010200	\$0.010200
Generation Capacity	\$0.067700	\$0.000100
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge

Winter (October – April)	On-Peak	Off-Peak
Base Power Component	\$0.040698	\$0.020698
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-04-70F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 106

Superseding:

Residential Lifeline Discount (R-05-01F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase and three-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase and three-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated in this rate:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge of Delivery Services:

Standard

Customer Charge, single-phase service and minimum bill	\$ 6.90 per month
Customer Charge, three-phase service and minimum bill	\$11.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh	\$ 9.40 per month
Customer Charge, three-phase with usage less than 2,000 kWh	\$14.40 per month

Customer Charge, single-phase with usage of 2,000 kWh or more	\$13.40 per month
Customer Charge, three-phase with usage of 2,000 kWh or more	\$18.40 per month

Energy Charges (\$/kWh)

	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
Summer (May - September)	\$0.061100	\$0.033198	varies	\$0.094298
Winter (October - April)	\$0.057000	\$0.025698	varies	\$0.082698

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-01F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 106-1

Superseding: _____

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the Standard Customer Charge, Delivery Charges, and Power Supply Charges:
0- 300 kWh	25%
301- 600 kWh	20%
601- 1,000 kWh	15%
Over 1,000 kWh	0%

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-01F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 106-2

Superseding: _____

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard		
Description	Single-Phase	Three-Phase
Meter Services	\$1.20 per month	\$2.07 per month
Meter Reading	\$0.81 per month	\$1.39 per month
Billing & Collection	\$3.48 per month	\$6.00 per month
Customer Delivery	\$1.41 per month	\$2.44 per month
Total	\$6.90 per month	\$11.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh		
Description	Single-Phase	Three-Phase
Meter Services	\$1.20 per month	\$2.07 per month
Meter Reading	\$0.81 per month	\$1.39 per month
Billing & Collection	\$3.48 per month	\$6.00 per month
Customer Delivery	\$1.41 per month	\$2.44 per month
LFCR	\$2.50 per month	\$2.50 per month
Total	\$9.40 per month	\$14.40 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-01F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 106-3

Superseding:

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more		
Description	Single-Phase	Three-Phase
Meter Services	\$1.20 per month	\$2.07 per month
Meter Reading	\$0.81 per month	\$1.39 per month
Billing & Collection	\$3.48 per month	\$6.00 per month
Customer Delivery	\$1.41 per month	\$2.44 per month
LFCR	\$6.50 per month	\$6.50 per month
Total	\$13.40 per month	\$18.40 per month

Energy Charge Components of Delivery Services (Unbundled):

Component	Summer (May - September)	Winter (October - April)
Local Delivery-Energy	\$0.013800	\$0.011300
Generation Capacity	\$0.032700	\$0.031100
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge:

	Summer (May - September)	Winter (October - April)
Base Power Component	\$0.033198	\$0.025698
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-01F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 107

Superseding:

Residential Lifeline Discount (R-05-21F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments. The applicant must reside at the premise to qualify.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, single-phase service and minimum bill \$ 8.86 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$11.36 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$15.36 per month

Energy Charges (\$/kWh):

Summer (May – September)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.078800	\$0.053198	varies	\$0.131998
Off-Peak	\$0.030100	\$0.023198	varies	\$0.053298

Winter (October – April)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.065200	\$0.040698	varies	\$0.105898
Off-Peak	\$0.033000	\$0.020698	varies	\$0.053698

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-21F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 107-1

Superseding: _____

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the Standard Customer Charge, Delivery Charges, and Power Supply Charges:
0 - 300 kWh	25%
301 - 600 kWh	20%
601 - 1000 kWh	15%
Over 1000 kWh	0%

TIME-OF-USE TIME PERIODS

The Summer On-Peak period is 10:00 a.m. to 10:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The Winter On-Peak periods are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

LOST FIXED COST RECOVERY (LFCR) - RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-21F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 107-2

Superseding:

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$1.54 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.47 per month
Customer Delivery	\$1.82 per month
Total	\$8.86 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh	
Description	Single-Phase
Meter Services	\$1.54 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.47 per month
Customer Delivery	\$1.82 per month
LFCR	\$2.50 per month
Total	\$11.36 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$1.54 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.47 per month
Customer Delivery	\$1.82 per month
LFCR	\$6.50 per month
Total	\$15.36 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-21F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 107-3

Superseding:

Energy Components of Delivery Services (Unbundled):

Summer (May – September)	On-Peak	Off-Peak
Local Delivery-Energy	\$0.011300	\$0.011300
Generation Capacity	\$0.052900	\$0.004200
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge

Summer (May – September)	On-Peak	Off-Peak
Base Power Component	\$0.053198	\$0.023198
PPFAC	In accordance with Rider 1 - PPFAC	

Energy Charge Components of Delivery Services (Unbundled):

Winter (October – April)	On-Peak	Off-Peak
Local Delivery-Energy	\$0.011300	\$0.011300
Generation Capacity	\$0.039300	\$0.007100
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge

Winter (October – April)	On-Peak	Off-Peak
Base Power Component	\$0.040698	\$0.020698
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-21F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 108

Superseding:

Residential Lifeline Discount (R-05-70F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments. The applicant must reside at the premise to qualify.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, single-phase service and minimum bill \$ 8.78 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$11.28 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$15.28 per month

Energy Charges (\$/kWh):

Summer (May – September)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.139300	\$0.055698	varies	\$0.194998
Shoulder	\$0.074000	\$0.048198	varies	\$0.122198
Off-Peak	\$0.037900	\$0.023198	varies	\$0.061098

Winter (October – April)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.092500	\$0.040698	varies	\$0.133198
Off-Peak	\$0.024900	\$0.020698	varies	\$0.045598

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-70F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 108-1

Superseding: _____

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the Standard Customer Charge, Delivery Charges, and Power Supply Charges:
0-300 kWh	25%
301-600 kWh	20%
601-1,000 kWh	15%
Over 1,000 kWh	0%

TIME-OF-USE TIME PERIODS

The **Summer On-Peak** period is 1:00 p.m. to 6:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day). The **summer Shoulder** period is 6:00 p.m. to 8:00 p.m. Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The **Winter On-Peak** periods are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-70F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 108-2

Superseding:

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$1.52 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.43 per month
Customer Delivery	\$1.80 per month
Total	\$8.78 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh	
Description	Single-Phase
Meter Services	\$1.52 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.43 per month
Customer Delivery	\$1.80 per month
LFCR	\$2.50 per month
Total	\$11.28 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$1.52 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.43 per month
Customer Delivery	\$1.80 per month
LFCR	\$6.50 per month
Total	\$15.28 per month

Filed By: Kentton C. Grant
 Title: Vice President of Finance and Rates
 District: Entire Electric Service Area

Rate: R-05-70F
 Effective: July 1, 2013
 Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 108-3

Superseding:

Energy Charge Components of Delivery Services (Unbundled):

Summer (May – September)	On-Peak	Shoulder-Peak	Off-Peak
Local Delivery-Energy	\$0.011300	\$0.011300	\$0.011300
Generation Capacity	\$0.113400	\$0.048100	\$0.012000
Fixed Must-Run	\$0.003000	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:			
System Control & Dispatch	\$0.000100	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT			

Power Supply Charge

Summer (May – September)	On-Peak	Shoulder-Peak	Off-Peak
Base Power Component	\$0.055698	\$0.048198	\$0.023198
PPFAC	In accordance with Rider 1 - PPFAC		

Energy Charge Components of Delivery Services (Unbundled):

Winter (October – April)	On-Peak	Off-Peak
Local Delivery-Energy	\$0.010200	\$0.010200
Generation Capacity	\$0.067700	\$0.000100
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge

Winter (October – April)	On-Peak	Off-Peak
Base Power Component	\$0.040698	\$0.020698
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-70F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 109

Superseding:

Residential Lifeline Discount (R-05-201AF)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To single-phase (subject to availability at point of delivery) electric service in individual residences as described in current program details when all service is supplied at one point of delivery and energy is metered through one meter. Additionally, this rate requires that the customer use exclusively the Company's service for all space heating and all water heating energy requirements except as provided below and that the customer's home conform to the standards of the Heating, Cooling and Comfort Guarantee program as in effect at the time of subscription to this rate. Notwithstanding the above, the customer's use of solar energy for any purpose shall not preclude subscription to this rate.

The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge of Delivery Services:

Standard

Customer Charge, single-phase service and minimum bill \$ 6.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$ 9.40 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$13.40 per month

Energy Charges (\$/kWh)

	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
Mid-Summer (June – August)	\$0.0611	\$0.033198	varies	\$0.094298
Remaining-summer (May & September)	\$0.0436	\$0.033198	varies	\$0.076798
Winter (October – April)	\$0.0413	\$0.027198	varies	\$0.068498

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-201AF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 109-1

Superseding: _____

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the Standard Customer Charge, Delivery Charges, and Power Supply Charges:
0 - 300 kWh	25%
301 - 600 kWh	20%
601 - 1000 kWh	15%
Over 1000 kWh	0%

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-201AF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 109-2

Superseding: _____

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$1.20 per month
Meter Reading	\$0.81 per month
Billing & Collection	\$3.48 per month
Customer Delivery	\$1.41 per month
Total	\$6.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh	
Description	Single-Phase
Meter Services	\$1.20 per month
Meter Reading	\$0.81 per month
Billing & Collection	\$3.48 per month
Customer Delivery	\$1.41 per month
LFCR	\$2.50 per month
Total	\$9.40 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-201AF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 109-3

Superseding:

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$1.20 per month
Meter Reading	\$0.81 per month
Billing & Collection	\$3.48 per month
Customer Delivery	\$1.41 per month
LFCR	\$6.50 per month
Total	\$13.40 per month

Energy Charge Components of Delivery Services (Unbundled):

Component	Mid Summer (June -August)	Remaining Summer (May & September)	Winter (October - April)
Local Delivery-Energy	\$0.020600	\$0.003100	\$0.006800
Generation Capacity	\$0.025900	\$0.025900	\$0.019900
Fixed Must-Run	\$0.003000	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:			
System Control & Dispatch	\$0.000100	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT			

Power Supply Charge:

	Mid Summer (June -August)	Remaining Summer (May & September)	Winter (October - April)
Base Power Component	\$0.033198	\$0.033198	\$0.027198
PPFAC	In accordance with Rider 1 - PPFAC		

Filed By: Kentton C. Grant
 Title: Vice President of Finance and Rates
 District: Entire Electric Service Area

Rate: R-05-201AF
 Effective: July 1, 2013
 Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 110
Superseding:

Residential Lifeline Discount (R-06-01F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase and three-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

1. The TEP account must be in the customer's name applying for a lifeline discount.
2. Applicant must be a TEP residential customer residing at the premise.
3. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at www.tep.com or contact a TEP customer care representative.

CHARACTER OF SERVICE

The service shall be single-phase or three-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge of Delivery Services:

Standard

Customer Charge, single-phase service and minimum bill	\$ 6.90 per month
Customer Charge, three-phase service and minimum bill	\$11.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh	\$ 9.40 per month
Customer Charge, three-phase with usage less than 2,000 kWh	\$14.40 per month

Customer Charge, single-phase with usage of 2,000 kWh or more	\$13.40 per month
Customer Charge, three-phase with usage of 2,000 kWh or more	\$18.40 per month

Energy Charges (\$/kWh)

	Delivery Services-Energy ¹	Power Supply Charges ² Base Power	PPFAC ²	Total ³
Summer (May – September)	\$0.061100	\$0.033198	varies	\$0.094298
Winter (October – April)	\$0.057000	\$0.025698	varies	\$0.082698

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-01F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 110-1
Superseding: _____

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT:

The monthly bill shall be in accordance to the rate above except that a discount up to \$9.00 per month shall be applied to the Standard Customer Charge, Delivery Services-Energy and Power Supply Charges. No Lifeline discount will be applied that will reduce the bill to less than zero.

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-01F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 110-2

Superseding:

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard		
Description	Single-Phase	Three-Phase
Meter Services	\$1.20 per month	\$2.07 per month
Meter Reading	\$0.81 per month	\$1.39 per month
Billing & Collection	\$3.48 per month	\$6.00 per month
Customer Delivery	\$1.41 per month	\$2.44 per month
Total	\$6.90 per month	\$11.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh		
Description	Single-Phase	Three-Phase
Meter Services	\$1.20 per month	\$2.07 per month
Meter Reading	\$0.81 per month	\$1.39 per month
Billing & Collection	\$3.48 per month	\$6.00 per month
Customer Delivery	\$1.41 per month	\$2.44 per month
LFCR	\$2.50 per month	\$2.50 per month
Total	\$9.40 per month	\$14.40 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more		
Description	Single-Phase	Three-Phase
Meter Services	\$1.20 per month	\$2.07 per month
Meter Reading	\$0.81 per month	\$1.39 per month
Billing & Collection	\$3.48 per month	\$6.00 per month
Customer Delivery	\$1.41 per month	\$2.44 per month
LFCR	\$6.50 per month	\$6.50 per month
Total	\$13.40 per month	\$18.40 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-01F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 110-3

Superseding:

Energy Charge Components of Delivery Services (Unbundled):

Component	Summer (May – September)	Winter (October - April)
Local Delivery-Energy	\$0.013800	\$0.011300
Generation Capacity	\$0.032700	\$0.031100
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge:

	Summer (May – September)	Winter (October - April)
Base Power Component	\$0.033198	\$0.025698
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-01F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 111

Superseding:

Residential Lifeline Discount (R-06-21F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

1. The TEP account must be in the customer's name applying for a lifeline discount.
2. Applicant must be a TEP residential customer residing at the premise.
3. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at www.tep.com or contact a TEP customer care representative.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, single-phase service and minimum bill \$ 8.86 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$11.36 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$15.36 per month

Energy Charges (\$/kWh):

Summer (May – September)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.078800	\$0.053198	varies	\$0.131998
Off-Peak	\$0.030100	\$0.023198	varies	\$0.053298

Winter (October – April)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.065200	\$0.040698	varies	\$0.105898
Off-Peak	\$0.033000	\$0.020698	varies	\$0.053698

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-21F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 111-1

Superseding: _____

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The monthly bill shall be in accordance to the rate above except that a discount up to \$9.00 per month shall be applied to the Standard Customer Charge, Delivery Services-Energy and Power Supply Charges. No Lifeline discount will be applied that will reduce the bill to less than zero.

TIME-OF-USE TIME PERIODS

The Summer On-Peak period is 10:00 a.m. to 10:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The Winter On-Peak periods are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

LOST FIXED COST RECOVERY (LFCR) - RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-21F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 111-2

Superseding:

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$1.54 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.47 per month
Customer Delivery	\$1.82 per month
Total	\$8.86 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh	
Description	Single-Phase
Meter Services	\$1.54 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.47 per month
Customer Delivery	\$1.82 per month
LFCR	\$2.50 per month
Total	\$11.36 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$1.54 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.47 per month
Customer Delivery	\$1.82 per month
LFCR	\$6.50 per month
Total	\$15.36 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-21F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 111-3

Superseding:

Energy Charge Components of Delivery Services (Unbundled):

Summer (May – September)	On-Peak	Off-Peak
Local Delivery-Energy	\$0.011300	\$0.011300
Generation Capacity	\$0.052900	\$0.004200
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge

Summer (May – September)	On-Peak	Off-Peak
Base Power Component	\$0.053198	\$0.023198
PPFAC	In accordance with Rider 1 - PPFAC	

Energy Charge Components of Delivery Services (Unbundled):

Winter (October – April)	On-Peak	Off-Peak
Local Delivery-Energy	\$0.011300	\$0.011300
Generation Capacity	\$0.039300	\$0.007100
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge

Winter (October – April)	On-Peak	Off-Peak
Base Power Component	\$0.040698	\$0.020698
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
 Title: Vice President of Finance and Rates
 District: Entire Electric Service Area

Rate: R-06-21F
 Effective: July 1, 2013
 Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 112

Superseding:

Residential Lifeline Discount (R-06-70F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

Not applicable to three-phase service, resale, breakdown, temporary, standby, or auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

1. The TEP account must be in the customer's name applying for a lifeline discount.
2. Applicant must be a TEP residential customer residing at the premise.
3. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at www.tep.com or contact a TEP customer care representative.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, single-phase service and minimum bill \$ 8.78 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$11.28 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$15.28 per month

Energy Charges (\$/kWh):

Summer (May – September)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.139300	\$0.055698	varies	\$0.194998
Shoulder	\$0.074000	\$0.048198	varies	\$0.122198
Off-Peak	\$0.037900	\$0.023198	varies	\$0.061098

Winter (October – April)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.092500	\$0.040698	varies	\$0.133198
Off-Peak	\$0.024900	\$0.020698	varies	\$0.045598

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-70F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 112-1

Superseding:

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The monthly bill shall be in accordance to the rate above except that a discount up to \$9.00 per month shall be applied to the Standard Customer Charge, Delivery Services-Energy and Power Supply Charges. No Lifeline discount will be applied that will reduce the bill to less than zero.

TIME-OF-USE TIME PERIODS

The Summer On-Peak period is 1:00 p.m. to 6:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day). The summer Shoulder period is 6:00 p.m. to 8:00 p.m. Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The Winter On-Peak periods are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

LOST FIXED COST RECOVERY (LFCR) - RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-70F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 112-2

Superseding: _____

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$1.52 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.43 per month
Customer Delivery	\$1.80 per month
Total	\$8.78 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh	
Description	Single-Phase
Meter Services	\$1.52 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.43 per month
Customer Delivery	\$1.80 per month
LFCR	\$2.50 per month
Total	\$11.28 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$1.52 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.43 per month
Customer Delivery	\$1.80 per month
LFCR	\$6.50 per month
Total	\$15.28 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-70F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 112-3

Superseding:

Energy Charge Components of Delivery Services (Unbundled):

Summer (May – September)	On-Peak	Shoulder-Peak	Off-Peak
Local Delivery-Energy	\$0.011300	\$0.011300	\$0.011300
Generation Capacity	\$0.113400	\$0.048100	\$0.012000
Fixed Must-Run	\$0.003000	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:			
System Control & Dispatch	\$0.000100	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT			

Power Supply Charge

Summer (May – September)	On-Peak	Shoulder-Peak	Off-Peak
Base Power Component	\$0.055698	\$0.048198	\$0.023198
PPFAC	In accordance with Rider 1 - PPFAC		

Energy Charge Components of Delivery Services (Unbundled):

Winter (October – April)	On-Peak	Off-Peak
Local Delivery-Energy	\$0.010200	\$0.010200
Generation Capacity	\$0.067700	\$0.000100
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge

Winter (October – April)	On-Peak	Off-Peak
Base Power Component	\$0.040698	\$0.020698
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
 Title: Vice President of Finance and Rates
 District: Entire Electric Service Area

Rate: R-06-70F
 Effective: July 1, 2013
 Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 113

Superseding:

Residential Lifeline Discount (R-06-201AF)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To single-phase (subject to availability at point of delivery) electric service in individual residences as described in current program details when all service is supplied at one point of delivery and energy is metered through one meter. Additionally, this rate requires that the customer use exclusively the Company's service for all space heating and all water heating energy requirements except as provided below and that the customer's home conform to the standards of the Heating, Cooling and Comfort Guarantee program as in effect at the time of subscription to this rate. The customer's use of solar energy for any purpose shall not preclude subscription to this rate.

The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

1. The TEP account must be in the customer's name applying for a lifeline discount.
2. Applicant must be a TEP residential customer residing at the premise.
3. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at www.tep.com or contact a TEP customer care representative.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge of Delivery Services:

Standard

Customer Charge, single-phase service and minimum bill \$ 6.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$ 9.40 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$13.40 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-201AF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 113-1

Superseding:

Energy Charges (\$/kWh)

	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
Mid-Summer (June – August)	\$0.061100	\$0.033198	<i>varies</i>	\$0.094298
Remaining-Summer (May & September)	\$0.043600	\$0.033198	<i>varies</i>	\$0.076798
Winter (October – April)	\$0.041300	\$0.027198	<i>varies</i>	\$0.068498

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT:

The monthly bill shall be in accordance to the rate above except that a discount up to \$9.00 per month shall be applied to the Standard Customer Charge, Delivery Services-Energy and Power Supply Charges. No Lifeline discount will be applied that will reduce the bill to less than zero.

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-201AF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 113-2

Superseding:

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$1.20 per month
Meter Reading	\$0.81 per month
Billing & Collection	\$3.48 per month
Customer Delivery	\$1.41 per month
Total	\$6.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh	
Description	Single-Phase
Meter Services	\$1.20 per month
Meter Reading	\$0.81 per month
Billing & Collection	\$3.48 per month
Customer Delivery	\$1.41 per month
LFCR	\$2.50 per month
Total	\$9.40 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-201AF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 113-3

Superseding:

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$1.20 per month
Meter Reading	\$0.81 per month
Billing & Collection	\$3.48 per month
Customer Delivery	\$1.41 per month
LFCR	\$6.50 per month
Total	\$13.40 per month

Energy Charge Components of Delivery Services (Unbundled):

Component	Mid Summer (June -August)	Remaining Summer (May & September)	Winter (October - April)
Local Delivery-Energy	\$0.020600	\$0.003100	\$0.006800
Generation Capacity	\$0.025900	\$0.025900	\$0.019900
Fixed Must-Run	\$0.003000	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:			
System Control & Dispatch	\$0.000100	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT			

Power Supply Charge:

	Mid Summer (June -August)	Remaining Summer (May & September)	Winter (October - April)
Base Power Component	\$0.033198	\$0.033198	\$0.027198
PPFAC	In accordance with Rider 1 - PPFAC		

Filed By: Kentton C. Grant
 Title: Vice President of Finance and Rates
 District: Entire Electric Service Area

Rate: R-06-201AF
 Effective: July 1, 2013
 Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 113

Superseding: _____

Residential Lifeline Discount (R-06-201AF)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To single-phase (subject to availability at point of delivery) electric service in individual residences as described in current program details when all service is supplied at one point of delivery and energy is metered through one meter. Additionally, this rate requires that the customer use exclusively the Company's service for all space heating and all water heating energy requirements except as provided below and that the customer's home conform to the standards of the Heating, Cooling and Comfort Guarantee program as in effect at the time of subscription to this rate. The customer's use of solar energy for any purpose shall not preclude subscription to this rate.

The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

1. The TEP account must be in the customer's name applying for a lifeline discount.
2. Applicant must be a TEP residential customer residing at the premise.
3. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at www.tep.com or contact a TEP customer care representative.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge of Delivery Services:

Standard

Customer Charge, single-phase service and minimum bill \$ 6.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$ 9.40 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$13.40 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-201AF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 113-1

Superseding:

Energy Charges (\$/kWh)

	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
Mid-Summer (June – August)	\$0.061100	\$0.033198	<i>varies</i>	\$0.094298
Remaining-Summer (May & September)	\$0.043600	\$0.033198	<i>varies</i>	\$0.076798
Winter (October – April)	\$0.041300	\$0.027198	<i>varies</i>	\$0.068498

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT:

The monthly bill shall be in accordance to the rate above except that a discount up to \$9.00 per month shall be applied to the Standard Customer Charge, Delivery Services-Energy and Power Supply Charges. No Lifeline discount will be applied that will reduce the bill to less than zero.

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-201AF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 113-2

Superseding:

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$1.20 per month
Meter Reading	\$0.81 per month
Billing & Collection	\$3.48 per month
Customer Delivery	\$1.41 per month
Total	\$6.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh	
Description	Single-Phase
Meter Services	\$1.20 per month
Meter Reading	\$0.81 per month
Billing & Collection	\$3.48 per month
Customer Delivery	\$1.41 per month
LFCR	\$2.50 per month
Total	\$9.40 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-201AF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 113-3

Superseding:

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$1.20 per month
Meter Reading	\$0.81 per month
Billing & Collection	\$3.48 per month
Customer Delivery	\$1.41 per month
LFCR	\$6.50 per month
Total	\$13.40 per month

Energy Charge Components of Delivery Services (Unbundled):

Component	Mid Summer (June -August)	Remaining Summer (May & September)	Winter (October - April)
Local Delivery-Energy	\$0.020600	\$0.003100	\$0.006800
Generation Capacity	\$0.025900	\$0.025900	\$0.019900
Fixed Must-Run	\$0.003000	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:			
System Control & Dispatch	\$0.000100	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT			

Power Supply Charge:

	Mid Summer (June -August)	Remaining Summer (May & September)	Winter (October - April)
Base Power Component	\$0.033198	\$0.033198	\$0.027198
PPFAC	In accordance with Rider 1 - PPFAC		

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-201AF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 114

Superseding:

Residential Lifeline Discount (R-06-201BF)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To single-phase (subject to availability at point of delivery) electric service in individual residences as described in current program details when all service is supplied at one point of delivery and energy is metered through one meter. Additionally, this rate requires that the customer use exclusively the Company's service for all space heating and all water heating energy requirements except as provided below and that the customer's home conform to the standards of the Heating, Cooling and Comfort Guarantee program as in effect at the time of subscription to this rate. The customer's use of solar energy for any purpose shall not preclude subscription to this rate.

The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

1. The TEP account must be in the customer's name applying for a lifeline discount.
2. Applicant must be a TEP residential customer residing at the premise.
3. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at www.tep.com or contact a TEP customer care representative.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge of Delivery Services:

Standard

Customer Charge, single-phase service and minimum bill \$ 8.78 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$ 11.28 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$ 15.28 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-201BF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 114-1

Superseding:

Energy Charges (\$/kWh)

Mid-Summer (June – August)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
On-Peak	\$0.136900	\$0.055698	<i>varies</i>	\$0.192598
Shoulder-Peak	\$0.074700	\$0.048198	<i>varies</i>	\$0.122898
Off-Peak	\$0.038300	\$0.023198	<i>varies</i>	\$0.061498

Remaining Summer (May & Sept)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
On-Peak	\$0.099500	\$0.055698	<i>varies</i>	\$0.155198
Shoulder-Peak	\$0.048600	\$0.048198	<i>varies</i>	\$0.096798
Off-Peak	\$0.025300	\$0.023198	<i>varies</i>	\$0.048498

Winter	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
On-Peak	\$0.065200	\$0.040698	<i>varies</i>	\$0.105898
Off-Peak	\$0.015300	\$0.020698	<i>varies</i>	\$0.035998

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

TIME-OF-USE TIME PERIODS

The Mid-summer and Remaining-summer On-Peak period: 1:00 p.m. to 6:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day). The summer Shoulder period is 6:00 p.m. to 8:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The Winter On-Peak periods: 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

MONTHLY DISCOUNT:

The monthly bill shall be in accordance to the rate above except that a discount up to \$9.00 per month shall be applied to the Standard Customer Charge, Delivery Services-Energy and Power Supply Charges. No Lifeline discount will be applied that will reduce the bill to less than zero.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-201BF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 114-2

Superseding:

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-201BF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 114-3

Superseding:

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$1.52 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.43 per month
Customer Delivery	\$1.80 per month
Total	\$8.78 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh	
Description	Single-Phase
Meter Services	\$1.52 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.43 per month
Customer Delivery	\$1.80 per month
LFCR	\$2.50 per month
Total	\$11.28 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$1.52 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.43 per month
Customer Delivery	\$1.80 per month
LFCR	\$6.50 per month
Total	\$15.28 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-201BF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 114-4

Superseding: _____

Energy Charge Components (Unbundled)

Components Mid-Summer (June – August)	On-Peak	Shoulder-Peak	Off-Peak
Delivery-Energy	\$0.091400	0.030900	\$0.018100
Generation Capacity	\$0.030900	0.029200	\$0.005600
Fixed Must-Run	\$0.003000	0.003000	\$0.003000
Transmission	\$0.009000	0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:			
System Control & Dispatch	\$0.000100	0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT:			
	On-Peak	Shoulder-Peak	Off-Peak
Base Power Supply Charge	\$0.055698	\$0.048198	\$0.023198
PPFAC		In accordance with Rider 1 – PPFAC	

Components Remaining Summer (May & September)	On-Peak	Shoulder-Peak	Off-Peak
Delivery-Energy	\$0.054000	0.025000	\$0.001700
Generation Capacity	\$0.030900	0.009000	\$0.009000
Fixed Must-Run	\$0.003000	0.003000	\$0.003000
Transmission	\$0.009000	0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:			
System Control & Dispatch	\$0.000100	0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT:			
	On-Peak	Shoulder-Peak	Off-Peak
Base Power Supply Charge	\$0.055698	\$0.048198	\$0.023198
PPFAC		In accordance with Rider 1 – PPFAC	

Filed By: Kentton C. Grant
 Title: Vice President of Finance and Rates
 District: Entire Electric Service Area

Rate: R-06-201BF
 Effective: July 1, 2013
 Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 114-5
Superseding:

Components Winter (October-April)	On-Peak	Off-Peak
Delivery-Energy	\$0.028200	\$0.000500
Generation Capacity	\$0.022400	\$0.000200
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT:		
	On-Peak	Off-Peak
Base Power Supply Charge	\$0.040698	\$0.020698
PPFAC	In accordance with Rider 1 – PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-201BF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 115
Superseding:

Residential Lifeline/Medical Life-Support Discount (R-08-01F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase and three-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

1. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at www.tep.com or contact a TEP customer care representative.
2. The applicant must provide documentation to the company that the regular use of a medical life-support device is essential to maintain the life of a full-time resident of the household; or a full-time resident of the household is a paraplegic, quadriplegic or hemiplegic, or a multiple sclerosis or scleroderma patient.
3. A Physician's Verification Form must be completed by the doctor documenting the patient's critical need for electrically powered appliances and describing the needed devices.

CHARACTER OF SERVICE

The service shall be single-phase or three-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge of Delivery Services:

Standard

Customer Charge, single-phase service and minimum bill	\$ 6.90 per month
Customer Charge, three-phase service and minimum bill	\$11.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh	\$ 9.40 per month
Customer Charge, three-phase with usage less than 2,000 kWh	\$14.40 per month

Customer Charge, single-phase with usage of 2,000 kWh or more	\$13.40 per month
Customer Charge, three-phase with usage of 2,000 kWh or more	\$18.40 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-01F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 115-1

Superseding:

Energy Charges (\$/kWh)

	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
Summer (May – September)	\$0.061100	\$0.033198	varies	\$0.094298
Winter (October – April)	\$0.057000	\$0.025698	varies	\$0.082698

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the Standard Customer Charge, Delivery Charges, and Power Supply Charges:
0 – 1000 kWh	35%
1001 – 2000 kWh	30%
Over 2000 kWh	10%

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-01F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 115-2

Superseding:

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard		
Description	Single-Phase	Three-Phase
Meter Services	\$1.20 per month	\$2.07 per month
Meter Reading	\$0.81 per month	\$1.39 per month
Billing & Collection	\$3.48 per month	\$6.00 per month
Customer Delivery	\$1.41 per month	\$2.44 per month
Total	\$6.90 per month	\$11.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh		
Description	Single-Phase	Three-Phase
Meter Services	\$1.20 per month	\$2.07 per month
Meter Reading	\$0.81 per month	\$1.39 per month
Billing & Collection	\$3.48 per month	\$6.00 per month
Customer Delivery	\$1.41 per month	\$2.44 per month
LFCR	\$2.50 per month	\$2.50 per month
Total	\$9.40 per month	\$14.40 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more		
Description	Single-Phase	Three-Phase
Meter Services	\$1.20 per month	\$2.07 per month
Meter Reading	\$0.81 per month	\$1.39 per month
Billing & Collection	\$3.48 per month	\$6.00 per month
Customer Delivery	\$1.41 per month	\$2.44 per month
LFCR	\$6.50 per month	\$6.50 per month
Total	\$13.40 per month	\$18.40 per month

Filed By: Kentton C. Grant
 Title: Vice President of Finance and Rates
 District: Entire Electric Service Area

Rate: R-08-01F
 Effective: July 1, 2013
 Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 115-3

Superseding:

Energy Charge Components of Delivery Services (Unbundled):

Component	Summer (May – September)	Winter (October – April)
Local Delivery-Energy	\$0.013800	\$0.011300
Generation Capacity	\$0.032700	\$0.031100
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge:

	Summer (May – September)	Winter (October – April)
Base Power Component	\$0.033198	\$0.025698
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-01F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 116

Superseding:

Residential Lifeline/Medical Life-Support Discount (R-08-21F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

1. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at www.tep.com or contact a TEP customer care representative.
2. The applicant must provide documentation to the company that the regular use of a medical life-support device is essential to maintain the life of a full-time resident of the household; or a full-time resident of the household is a paraplegic, quadriplegic or hemiplegic, or a multiple sclerosis or scleroderma patient.
3. A Physician's Verification Form must be completed by the doctor documenting the patient's critical need for electrically powered appliances and describing the needed devices.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, single-phase service and minimum bill \$ 8.86 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$11.36 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$15.36 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-21F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 116-1

Superseding:

Energy Charges (\$/kWh):

Summer (May – September)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.078800	\$0.053198	<i>varies</i>	\$0.131998
Off-Peak	\$0.030100	\$0.023198	<i>varies</i>	\$0.053298

Winter (October – April)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.065200	\$0.040698	<i>varies</i>	\$0.105898
Off-Peak	\$0.033000	\$0.020698	<i>varies</i>	\$0.053698

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the Standard Customer Charge, Delivery Charges, and Power Supply Charges:
0 – 1000 kWh	35%
1001 – 2000 kWh	30%
Over 2000 kWh	10%

TIME-OF-USE TIME PERIODS

The Summer On-Peak period is 10:00 a.m. to 10:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The Winter On-Peak periods are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-21F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 116-2

Superseding:

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$1.54 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.47 per month
Customer Delivery	\$1.82 per month
Total	\$8.86 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-21F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 116-3

Superseding:

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh	
Description	Single-Phase
Meter Services	\$1.54 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.47 per month
Customer Delivery	\$1.82 per month
LFCR	\$2.50 per month
Total	\$11.36 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$1.54 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.47 per month
Customer Delivery	\$1.82 per month
LFCR	\$6.50 per month
Total	\$15.36 per month

Energy Charge Components of Delivery Services (Unbundled):

Summer (May – September)	On-Peak	Off-Peak
Local Delivery-Energy	\$0.011300	\$0.011300
Generation Capacity	\$0.052900	\$0.004200
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge

Summer (May – September)	On-Peak	Off-Peak
Base Power Component	\$0.053198	\$0.023198
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
 Title: Vice President of Finance and Rates
 District: Entire Electric Service Area

Rate: R-08-21F
 Effective: July 1, 2013
 Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 116-4

Superseding: _____

Energy Charge Components of Delivery Services (Unbundled):

Winter (October – April)	On-Peak	Off-Peak
Local Delivery-Energy	\$0.011300	\$0.011300
Generation Capacity	\$0.039300	\$0.007100
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge

Winter (October – April)	On-Peak	Off-Peak
Base Power Component	\$0.040698	\$0.0020698
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-21F
Effective: July 1, 2013
Decision No.: 73912

Residential Lifeline/Medical Life-Support Discount (R-08-70F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

1. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at www.tep.com or contact a TEP customer care representative.
2. The applicant must provide documentation to the company that the regular use of a medical life-support device is essential to maintain the life of a full-time resident of the household; or a full-time resident of the household is a paraplegic, quadriplegic or hemiplegic, or a multiple sclerosis or scleroderma patient.
3. A Physician's Verification Form must be completed by the doctor documenting the patient's critical need for electrically powered appliances and describing the needed devices.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, single-phase service and minimum bill \$8.78 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$11.28 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$15.28 per month

Energy Charges (\$/kWh):

Summer (May – September)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.139300	\$0.055698	<i>varies</i>	\$0.194998
Shoulder	\$0.074000	\$0.048198	<i>varies</i>	\$0.122198
Off-Peak	\$0.037900	\$0.023198	<i>varies</i>	\$0.061098

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-70F
Effective: July 1, 2013
DecisionNo.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 117-1
Superseding: _____

Winter (October – April)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC	
On-Peak	\$0.092500	\$0.040698	<i>varies</i>	\$0.133198
Off-Peak	\$0.024900	\$0.020698	<i>varies</i>	\$0.045598

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the Standard Customer Charge, Delivery Charges, and Power Supply Charges:
0 – 1000 kWh	35%
1001 – 2000 kWh	30%
Over 2000 kWh	10%

TIME-OF-USE TIME PERIODS

The **Summer On-Peak period** is 1:00 p.m. to 6:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day). The **summer Shoulder period** is 6:00 p.m. to 8:00 p.m. Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The **Winter On-Peak periods** are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-70F
Effective: July 1, 2013
DecisionNo.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 117-2

Superseding:

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$1.52 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.43 per month
Customer Delivery	\$1.80 per month
Total	\$8.78 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option – usage less than 2, 000 kWh	
Description	Single-Phase
Meter Services	\$1.52 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.43 per month
Customer Delivery	\$1.80 per month
LFCR	\$2.50 per month
Total	\$11.28 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-70F
Effective: July 1, 2013
DecisionNo.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 117-3

Superseding:

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option – usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$1.52 per month
Meter Reading	\$1.03 per month
Billing & Collection	\$4.43 per month
Customer Delivery	\$1.80 per month
LFCR	\$6.50 per month
Total	\$15.28 per month

Energy Charge Components of Delivery Services (Unbundled):

Summer (May – September)	On-Peak	Shoulder-Peak	Off-Peak
Local Delivery-Energy	\$0.011300	\$0.011300	\$0.011300
Generation Capacity	\$0.113400	\$0.048100	\$0.012000
Fixed Must-Run	\$0.003000	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:			
System Control & Dispatch	\$0.000100	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT			

Power Supply Charge

Summer (May – September)	On-Peak	Shoulder-Peak	Off-Peak
Base Power Component	\$0.055698	\$0.048198	\$0.023198
PPFAC	In accordance with Rider 1 - PPFAC		

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-70F
Effective: July 1, 2013
DecisionNo.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 117-4

Superseding:

Energy Charge Components of Delivery Services (Unbundled):

Winter (October – April)	On-Peak	Off-Peak
Local Delivery-Energy	\$0.010200	\$0.010200
Generation Capacity	\$0.067700	\$0.000100
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge

Winter (October – April)	On-Peak	Off-Peak
Base Power Component	\$0.040698	\$0.020698
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-70F
Effective: July 1, 2013
DecisionNo.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 118
Superseding:

Residential Lifeline/Medical Life-Support Discount (R-08-201AF)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To single-phase (subject to availability at point of delivery) electric service in individual residences as described in current program details when all service is supplied at one point of delivery and energy is metered through one meter. Additionally, this rate requires that the customer use exclusively the Company's service for all space heating and all water heating energy requirements except as provided below and that the customer's home conform to the standards of the Heating, Cooling and Comfort Guarantee program as in effect at the time of subscription to this rate. The customer's use of solar energy for any purpose shall not preclude subscription to this rate. The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

1. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at www.tep.com or contact a TEP customer care representative.
2. The applicant must provide documentation to the company that the regular use of a medical life-support device is essential to maintain the life of a full-time resident of the household; or a full-time resident of the household is a paraplegic, quadriplegic or hemiplegic, or a multiple sclerosis or scleroderma patient.
3. A Physician's Verification Form must be completed by the doctor documenting the patient's critical need for electrically powered appliances and describing the needed devices.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge of Delivery Services:

Standard

Customer Charge, single-phase service and minimum bill \$ 6.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$ 9.40 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$13.40 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-201AF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 118-1

Superseding:

Energy Charges (\$/kWh)

	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
Mid-Summer (June-August)	\$0.061100	\$0.033198	<i>varies</i>	\$0.094298
Remaining-summer (May & September)	\$0.043600	\$0.033198	<i>varies</i>	\$0.076798
Winter (October – April)	\$0.041300	\$0.027198	<i>varies</i>	\$0.068498

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the Standard Customer Charge, Delivery Charges, and Power Supply Charges:
0 – 1000 kWh	35%
1001 – 2000 kWh	30%
Over 2000 kWh	10%

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

DIRECT ACCESS

A customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-201AF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 118-2

Superseding: _____

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$1.20 per month
Meter Reading	\$0.81 per month
Billing & Collection	\$3.48 per month
Customer Delivery	\$1.41 per month
Total	\$6.90 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-201AF
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 118-3

Superseding:

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$1.20 per month
Meter Reading	\$0.81 per month
Billing & Collection	\$3.48 per month
Customer Delivery	\$1.41 per month
LFCR	\$6.50 per month
Total	\$13.40 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh	
Description	Single-Phase
Meter Services	\$1.20 per month
Meter Reading	\$0.81 per month
Billing & Collection	\$3.48 per month
Customer Delivery	\$1.41 per month
LFCR	\$2.50 per month
Total	\$9.40 per month

Energy Charge Components of Delivery Services (Unbundled):

Component	Mid Summer (June -August)	Remaining Summer (May & September)	Winter (October - April)
Local Delivery-Energy	\$0.020600	\$0.003100	\$0.006800
Generation Capacity	\$0.025900	\$0.025900	\$0.019900
Fixed Must-Run	\$0.003000	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:			
System Control & Dispatch	\$0.000100	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT			

Power Supply Charge:

	Mid Summer (June -August)	Remaining Summer (May & September)	Winter (October - April)
Base Power Component	\$0.033198	\$0.033198	\$0.027198
PPFAC	In accordance with Rider 1 - PPFAC		

Filed By: Kentton C. Grant
 Title: Vice President of Finance and Rates
 District: Entire Electric Service Area

Rate: R-08-201AF
 Effective: July 1, 2013
 Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 119
Superseding:

Special Residential Electric Service (R-201A)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

To single-phase (subject to availability at point of delivery) electric service in individual residences when all service is supplied at one point of delivery and energy is metered through one meter. Additionally, this Rate requires that the Customer use exclusively the Company's service for all space heating and all water heating energy requirements except as provided below. New homes must conform to the standards of the Company's approved efficiency program for new construction as in effect at the time of subscription to this Rate. Existing homes must conform to certain standards of the Company's approved efficiency program for existing homes as in effect at the time of subscription to this Rate. Company accredited testing and inspection is required for verification. Notwithstanding the above, the Customer's use of solar energy for any purpose shall not preclude subscription to this Rate.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, single-phase service and minimum bill \$10.00 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$12.50 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$16.50 per month

Energy Charges:

Summer (May – September)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
0 – 500 kWh	\$0.050600	\$0.035111	varies	\$0.085711
501 – 1,000 kWh	\$0.060500	\$0.035111	varies	\$0.095611
1,001 – 3,500 kWh	\$0.071800	\$0.035111	varies	\$0.106911
Over 3,500 kWh	\$0.079400	\$0.035111	varies	\$0.114511

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-201A
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 119-1

Superseding:

Winter (October - April)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
0 – 500 kWh	\$0.050600	\$0.031532	<i>varies</i>	\$0.082132
501 – 1,000 kWh	\$0.058700	\$0.031532	<i>varies</i>	\$0.090232
1,001 – 3,500 kWh	\$0.070300	\$0.031532	<i>varies</i>	\$0.101832
Over 3,500 kWh	\$0.078400	\$0.031532	<i>varies</i>	\$0.109932

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

MONTHLY LIFELINE DISCOUNT:

This discount is only available to new and eligible Lifeline Customers whose monthly bill shall be in accordance to the rate above except that a discount of \$9.00 per month shall be applied. No Lifeline discount will be applied that will reduce the bill to less than zero.

DIRECT ACCESS

A Customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-201A
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 119-2

Superseding:

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$1.74 per month
Meter Reading	\$1.17 per month
Billing & Collection	\$5.04 per month
Customer Delivery	\$2.05 per month
Total	\$10.00 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh	
Description	Single-Phase
Meter Services	\$1.74 per month
Meter Reading	\$1.17 per month
Billing & Collection	\$5.04 per month
Customer Delivery	\$2.05 per month
LFCR	\$2.50 per month
Total	\$12.50 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$1.74 per month
Meter Reading	\$1.17 per month
Billing & Collection	\$5.04 per month
Customer Delivery	\$2.05 per month
LFCR	\$6.50 per month
Total	\$16.50 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-201A
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 119-3

Superseding:

Energy Charge Components of Delivery Services (Unbundled):

Component	Summer (May - September)	Winter (October - April)
Local Delivery-Energy		
Sum First 500 kWh	\$0.003400	\$0.004100
Sum 501-1,000 kWh	\$0.013300	\$0.012200
Sum 1,001-3,500 kWh	\$0.024600	\$0.023800
Sum >3,500 kWh	\$0.032200	\$0.031900
Generation Capacity	\$0.032600	\$0.031900
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charges:

Base Power Component	Summer (May - September)	Winter (October - April)
All kWh	\$0.035111	\$0.031532
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-201A
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 120
Superseding:

Special Residential Electric Service Time-of-Use Program (R-201B)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

To single-phase (subject to availability at point of delivery) electric service in individual residences when all service is supplied at one point of delivery and energy is metered through one meter. Additionally, this Rate requires that the Customer use exclusively the Company's service for all space heating and all water heating energy requirements except as provided below. New homes must conform to the standards of the Company's approved efficiency program for new construction as in effect at the time of subscription to this Rate. Existing homes must conform to certain standards of the Company's approved efficiency program for existing homes as in effect at the time of subscription to this Rate. Company accredited testing and inspection is required for verification. Notwithstanding the above, the customer's use of solar energy for any purpose shall not preclude subscription to this Rate.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

Customers must stay on this rate for a minimum period of one (1) year.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, single-phase service and minimum bill \$11.50 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, single-phase with usage less than 2,000 kWh \$14.00 per month

Customer Charge, single-phase with usage of 2,000 kWh or more \$18.00 per month

Energy Charges:

Summer (May – September)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
On-peak	\$0.056800	\$0.050669	varies	\$0.107469
Off-peak	\$0.044000	\$0.026679	varies	\$0.070679

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-201B
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 120-1

Superseding: _____

Winter (October - April)	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
On-peak	\$0.048300	\$0.032893	varies	\$0.081193
Off-peak	\$0.035500	\$0.027092	varies	\$0.062592

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

TIME-OF-USE TIME PERIODS

The Summer On-Peak period is 2:00 p.m. to 8:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The Winter On-Peak periods are 6:00 a.m. - 10:00 a.m. and 5:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

ELECTRIC VEHICLES

Customers who own and operate Electric Vehicles will receive a 5% discount to the Base Fuel during the off-peak period and the PPFAC. Customers must provide documentation for highway approved Electric Vehicles.

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

MONTHLY LIFELINE DISCOUNT

This discount is only available to new and eligible Lifeline customers whose monthly bill shall be in accordance to the rate above except that a discount of \$9.00 per month shall be applied. No Lifeline discount will be applied that will reduce the bill to less than zero.

DIRECT ACCESS

A Customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-201B
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 120-2

Superseding: _____

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Standard	
Description	Single-Phase
Meter Services	\$2.00 per month
Meter Reading	\$1.34 per month
Billing & Collection	\$5.80 per month
Customer Delivery	\$2.36 per month
Total	\$11.50 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh	
Description	Single-Phase
Meter Services	\$2.00 per month
Meter Reading	\$1.34 per month
Billing & Collection	\$5.80 per month
Customer Delivery	\$2.36 per month
LFCR	\$2.50 per month
Total	\$14.00 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-201B
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 120-3

Superseding:

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more	
Description	Single-Phase
Meter Services	\$2.00 per month
Meter Reading	\$1.34 per month
Billing & Collection	\$5.80 per month
Customer Delivery	\$2.36 per month
LFCR	\$6.50 per month
Total	\$18.00 per month

Energy Charge Components (Unbundled)

Summer (May - September)	On-Peak	Off-Peak
Delivery-Energy	\$0.011300	\$0.011300
Generation Capacity	\$0.030900	\$0.018100
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		
Base Power Supply Charge	\$0.050669	\$0.026679
PPFAC	In accordance with Rider 1 - PPFAC	

Winter (October - April)	On-Peak	Off-Peak
Delivery-Energy	\$0.011300	\$0.011300
Generation Capacity	\$0.022400	\$0.009600
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		
Base Power Supply Charge	\$0.032893	\$0.027092
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
 Title: Vice President of Finance and Rates
 District: Entire Electric Service Area

Rate: R-201B
 Effective: July 1, 2013
 Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 201

Superseding:

Small General Service (GS-10)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises. To all general power and lighting service unless otherwise addressed by specific Rates.

APPLICABILITY

When all energy is supplied at one point of delivery and through one metered service. Not applicable to resale, breakdown, temporary, standby, or auxiliary service.

The supply of electric service under a residential Rate schedule to a dwelling involving some business or professional activity will be permitted only where such activity is of only occasional occurrence, or where the electricity used in connection with such activity is small in amount and used only by equipment which would normally be in use if the space were used as living quarters. Where the portion of a dwelling is used regularly for business, professional or other gainful purposes, and any considerable amount of electricity is used for other than domestic purposes, or electrical equipment not normally used in living quarters is installed in connection with such activities referred to above, the entire premises must be classified as non-residential and the appropriate general service rate will be applied.

For Customers who were previously on Municipal Service Rate (PS-40), a monthly transitional adjustment of 16.5% will be applied to the Delivery Charges (excluding the Customer Charge) and Power Supply Charges.

CHARACTER OF SERVICE

The service shall be single-phase or three-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery. Primary metering may be used by mutual agreement.

RATE

A monthly bill at the following rate, plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Customer Charge, single-phase service and minimum bill	\$15.50 per month
Customer Charge, three-phase service and minimum bill	\$20.50 per month

Energy Charges: All energy charges below are charged per kWh basis.

Delivery Charges:

Description	Summer (May – September)	Winter (October – April)
First 500 kWh	\$0.076800	\$0.056800
All remaining kWh	\$0.097600	\$0.078800

Base Power Supply Charges:

Summer	\$0.035111 per kWh
Winter	\$0.031532 per kWh

Purchased Power and Fuel Adjustment Clause (PPFAC): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC to reflect any increase or decrease in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: GS-10
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 201-1

Superseding:

PRIMARY SERVICE

The Rates contained in this Schedule are designed to reflect secondary service but where service is taken at primary voltage will be subject to a primary discount of 20.6 cents per kW per month (on the bundled rate, with the discount taken from the unbundled kW delivery charge) on the billing demand each month.

DIRECT ACCESS

A Customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Description	Single-Phase	Three-Phase
Meter Services	\$5.78 per month	\$7.65 per month
Meter Reading	\$0.74 per month	\$0.98 per month
Billing & Collection	\$3.19 per month	\$4.21 per month
Customer Delivery	\$5.79 per month	\$7.66 per month
Total	\$15.50 per month	\$20.50 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: GS-10
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 201-2
Superseding:

Energy Charge Components (Unbundled):

Component	Summer (May – September)	Winter (October - April)
Delivery-Energy		
First 500 kWh	\$0.021700	\$0.021700
All remaining kWh	\$0.022600	\$0.022600
Generation Capacity		
First 500 kWh	\$0.042700	\$0.022700
All remaining kWh	\$0.062600	\$0.043800
Fixed Must-Run	\$0.003500	\$0.003500
Transmission	\$0.006800	\$0.006800
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000400	\$0.000400
Regulation and Frequency Response	\$0.000400	\$0.000400
Spinning Reserve Service	\$0.001000	\$0.001000
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		
Base Power Supply Charge	\$0.035111	\$0.031532
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: GS-10
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 202

Superseding:

Mobile Home Park Electric Service (GS-11F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To mobile home parks for service through a master meter to two or more mobile homes, provided each mobile home served through such master meter will be individually metered and billed by the park operator in accordance with applicable Orders of the Arizona Corporation Commission. Electric service to the park's facilities used by its residents may be supplied under this schedule only if such facilities are served through a master meter which serves two or more mobile homes.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service.

CHARACTER OF SERVICE

The service shall be single-phase or three-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery. Primary metering may be used by mutual agreement.

RATE

A monthly bill at the following rate, plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Customer Charge, single-phase service and minimum bill	\$15.50 per month
Customer Charge, three-phase service and minimum bill	\$20.50 per month

Energy Charges:

Delivery Charge	
Summer (May – September), all kWh	\$0.082000 per kWh
Winter (October – April), all kWh	\$0.062000 per kWh

Base Power Charges:

Delivery Charge	
Summer (May – September), all kWh	\$0.035111 per kWh
Winter (October – April), all kWh	\$0.031532 per kWh

Purchased Power and Fuel Adjustment Clause (PPFAC): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC to reflect any increase or decrease in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.

PRIMARY SERVICE

The Rates contained in this Schedule are designed to reflect secondary service but where service is taken at primary voltage will be subject to a primary discount of 20.6 cents per kW per month (on the bundled rate, with the discount taken from the unbundled kW delivery charge) on the billing demand each month.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: GS-11F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 202-1

Superseding: _____

DIRECT ACCESS

A Customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Description	Single-Phase	Three-Phase
Meter Services	\$5.78 per month	\$7.65 per month
Meter Reading	\$0.74 per month	\$0.98 per month
Billing & Collection	\$3.19 per month	\$4.21 per month
Customer Delivery	\$5.79 per month	\$7.66 per month
Total	\$15.50 per month	\$20.50 per month

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: GS-11F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 202-2

Superseding:

Energy Charge Components (Unbundled):

Component	Summer (May - September)	Winter (October - April)
Local Delivery-Energy	\$0.021700	\$0.021700
Generation Capacity	\$0.047900	\$0.027900
Fixed Must-Run	\$0.003500	\$0.003500
Transmission	\$0.006800	\$0.006800
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000400	\$0.000400
Regulation and Frequency Response	\$0.000400	\$0.000400
Spinning Reserve Service	\$0.001000	\$0.001000
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		
Base Power Supply Charge	\$0.035111	\$0.031532
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: GS-11F
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 203

Superseding:

Small General Service Time-of-Use Program (GS-76)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises. Access to the meter during normal working hours is also a prerequisite for this Rate.

APPLICABILITY

To all general power and lighting service unless otherwise addressed by specific Rate schedules, when all energy is supplied at one point of delivery and through one metered service.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service. Service under this Rate will commence when the appropriate meter has been installed.

Customers must stay on this Rate for a minimum period of one (1) year.

CHARACTER OF SERVICE

The service shall be single-phase or three-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge:

Customer Charge, single-phase or three-phase service and minimum bill \$17.50 per month

Energy Charges:

Description	Summer (May - September)	Winter (October - April)
On-Peak kWh	\$0.098700	\$0.081000
Off-Peak kWh	\$0.084500	\$0.064500

Base Power Supply Charges:

Summer On-Peak	\$0.050669 per kWh
Summer Off-Peak	\$0.026679 per kWh
Winter On-Peak	\$0.032893 per kWh
Winter Off-Peak	\$0.027092 per kWh

Purchased Power and Fuel Adjustment Clause ("PPFAC"): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC to reflect any increase or decrease in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: GS-76
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 203-1

Superseding: _____

TIME-OF-USE TIME PERIODS

The Summer On-Peak period is 2:00 p.m. to 8:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The Winter On-Peak periods are 6:00 a.m. - 10:00 a.m. and 5:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

DIRECT ACCESS

A Customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

PRIMARY SERVICE

The Rates contained in this Schedule are designed to reflect secondary service but where service is taken at primary voltage will be subject to a primary discount of 20.6 cents per kW per month (on the bundled rate, with the discount taken from the unbundled kW delivery charge) on the billing demand each month.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: GS-76
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 203-2

Superseding: _____

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Description	Customer Charge
Meter Services	\$6.53 per month
Meter Reading	\$0.83 per month
Billing & Collection	\$3.60 per month
Customer Delivery	\$6.54 per month
Total	\$17.50 per month

Energy Charge Components (Unbundled)

Summer (May – September)	On-Peak	Off-Peak
Local Delivery-Energy ¹	\$0.022300	\$0.022300
Generation Capacity	\$0.064000	\$0.049800
Fixed Must-Run	\$0.003500	\$0.003500
Transmission	\$0.006800	\$0.006800
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000400	\$0.000400
Regulation and Frequency Response	\$0.000400	\$0.000400
Spinning Reserve Service	\$0.001000	\$0.001000
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT.		
Base Power Supply Charge	\$0.050669	\$0.026679
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: GS-76
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 203-3

Superseding:

Energy Charge Components (Unbundled)

Winter (October - April)	On-Peak	Off-Peak
Delivery-Energy	\$0.022300	\$0.022300
Generation Capacity	\$0.046300	\$0.029800
Fixed Must-Run	\$0.003500	\$0.003500
Transmission	\$0.006800	\$0.006800
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000400	\$0.000400
Regulation and Frequency Response	\$0.000400	\$0.000400
Spinning Reserve Service	\$0.001000	\$0.001000
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		
Base Power Supply Charge	\$0.032893	\$0.027092
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: GS-76
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 204
Superseding: _____

Large General Service (LGS-13)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

To all general power and lighting service on an optional basis when all energy is supplied at one point of delivery and through one metered service. The minimum monthly billing demand hereunder is 200 kW.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service.

CHARACTER OF SERVICE

The service shall be single-phase or three-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery. Primary metering shall be required for new installations with service requirements in excess of 2,500 kW.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge:	\$775.00 per month
Demand Charge:	\$15.25 per kW
Energy Charges:	
Summer (May – September)	\$0.019200 per kWh
Winter (October – April)	\$0.013400 per kWh
Base Power Charges:	
Summer (May – September)	\$0.035111 per kWh
Winter (October – April)	\$0.031532 per kWh

Purchased Power and Fuel Adjustment Clause (PPFAC): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC to reflect any increase or decrease in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.

BILLING DEMAND

The monthly billing demand shall be the greatest of the following:

1. The maximum 15 minute measured demand in the billing month;
2. 75 % of the maximum demand used for billing purposes in the preceding 11 months; or
3. The contract demand amount, not to be less than 200 kW.

PRIMARY SERVICE

The Rates contained in this Schedule are designed to reflect secondary service but where service is taken at primary voltage will be subject to a primary discount of 20.6 cents per kW per month (on the bundled rate, with the discount taken from the unbundled kW delivery charge) on the billing demand each month.

The Company may require a written contract with a minimum contract demand and a minimum term of contract.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LGS-13
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 204-1
Superseding:

DIRECT ACCESS

A Customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charges:

Meter Services	\$211.38 per month
Meter Reading	\$ 32.43 per month
Billing & Collection	\$140.81 per month
Customer Delivery	\$390.38 per month
Total	\$775.00 per month

Demand Charge (in \$/kW):

Delivery Charge	\$1.71 per kW
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Generation Capacity

\$9.17 per kW

Fixed Must-Run

\$0.95 per kW

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LGS-13
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 204-2

Superseding: _____

Transmission \$2.67 per kW

Transmission Ancillary Services

System Control & Dispatch \$0.04 per kW

Reactive Supply and Voltage Control \$0.14 per kW

Regulation and Frequency Response \$0.14 per kW

Spinning Reserve Service \$0.37 per kW

Supplemental Reserve Service \$0.06 per kW

Energy Imbalance Service: Currently charged pursuant to the Company's OATT

Energy Charges (kWh): (in \$/kWh)

Delivery Charge

Summer \$0.005800 per kWh

Winter \$0.004000 per kWh

Generation Capacity:

Summer \$0.013400 per kWh

Winter \$0.009400 per kWh

Base Power Supply Charges:

Summer \$0.035111 per kWh

Winter \$0.031532 per kWh

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LGS-13
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 205

Superseding: _____

Large General Service Time-of-Use Program (LGS-85)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises. To all general power and lighting service unless otherwise addressed by specific rate schedules.

APPLICABILITY

When all energy is supplied at one point of delivery and through one metered service. Not applicable to resale, breakdown, temporary, standby, or auxiliary service. Service under this Rate will commence when the appropriate meter has been installed.

The minimum monthly billing demand hereunder is 200 kW.

Customers must stay on this Rate for a minimum period of one (1) year.

CHARACTER OF SERVICE

The service shall be single-phase or three-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery. Primary metering shall be required for new installations with service requirements in excess of 2,500 kW.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge and minimum bill \$950.00 per month

Demand Charges (includes Generation Capacity):

Summer On-peak \$14.55 per kW

Summer Off-peak (applies to all off-peak demand bill determinates) \$10.92 per kW

Winter On-peak \$11.59 per kW

Winter Off-peak Demand (applies to all off-peak demand bill determinates) \$ 9.10 per kW

Note:

1. For demand billing, "on-peak demand" shall be based on demand measured during peak periods.
2. For demand billing, "off-peak demand" shall be based on demand measured during the off-peak periods.
3. Unlike Schedule LLP Rate 90 the demand charges above are NOT excess demand charges; they apply to all Off-Peak kW, not just Off-Peak kW in excess of 150% of Peak kW.

Energy Charges: All energy charges below are charged on a per kWh basis.

Delivery Charges (\$/kWh)

	Summer (May - September)	Winter (October - April)
On-Peak	\$0.008600	\$0.003000
Off-Peak	\$0.006000	\$0.000500

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LGS-85
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 205-1

Superseding:

TIME-OF-USE TIME PERIODS

The **Summer On-Peak period** is 2:00 p.m. to 8:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The **Winter On-Peak periods** are 6:00 a.m. - 10:00 a.m. and 5:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are **Off-Peak**. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

Base Power Supply Charges (\$/kWh)

	Summer (May – September)	Winter (October – April)
On-Peak	\$0.050669	\$0.032893
Off-Peak	\$0.026679	\$0.027092

Purchased Power and Fuel Adjustment Clause (PPFAC): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC to reflect any increase or decrease in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.

DETERMINATION OF BILLING DEMAND

The monthly billing demand shall be the following:

The greatest of the following during the On-Peak period:

1. The maximum 15 minute measured demand during the on-peak period of the billing month;
2. 75% of the maximum on-peak period billing demand used for billing purposes in the preceding 11 months; or
3. The contract demand amount, not to be less than 200 kW, and

The maximum 15 minute measured demand during the off-peak period of the billing month.

PRIMARY SERVICE

The Rates contained in this Schedule are designed to reflect secondary service but where service is taken at a primary voltage discount of 20.6 cents per kW per month (on the bundled rate, with the discount taken from the unbundled kW delivery charge) will be applied to the billing demand each month.

The Company may require a written contract with a minimum contract demand and a minimum term of contract.

DIRECT ACCESS

A Customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LGS-85
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 205-2

Superseding: _____

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charges:

Meter Services	\$259.11 per month
Meter Reading	\$ 39.75 per month
Billing & Collection	\$172.61 per month
Customer Delivery	<u>\$478.53</u> per month
	\$950.00 per month

Demand Charges (\$/kW)

Generation Capacity Charges (in \$/kW):

Summer On-peak	\$10.18 per kW
Summer Off-peak	\$ 6.55 per kW
Winter On-peak	\$ 7.22 per kW
Winter Off-peak	\$ 4.73 per kW

Fixed Must-Run Charges (in \$/kW) \$ 0.95 per kW

Transmission (in \$/kW) \$ 2.67 per kW

Transmission - Ancillary Services System Control & Dispatch (in \$/kW)

System Control & Dispatch	\$ 0.04 per kW
Reactive Supply and Voltage Control	\$ 0.14 per kW
Regulation and Frequency Response	\$ 0.14 per kW
Spinning Reserve Service	\$ 0.37 per kW
Supplemental Reserve Service	\$ 0.06 per kW
Energy Imbalance Service: Currently charged pursuant to the Company's OATT	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LGS-85
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 205-3

Superseding:

Energy Charges (\$/kWh):

Delivery Charges

Summer On-peak	\$0.002600 per kWh
Summer Off-peak	\$0.001800 per kWh
Winter On-peak	\$0.000900 per kWh
Winter Off-peak	\$0.000150 per kWh

Generation Capacity

Summer On-peak	\$0.006000 per kWh
Summer Off-peak	\$0.004200 per kWh
Winter On-peak	\$0.002100 per kWh
Winter Off-peak	\$0.000350 per kWh

Base Power Supply Charge

Summer On-peak	\$0.050669 per kWh
Summer Off-peak	\$0.026679 per kWh
Winter On-peak	\$0.032893 per kWh
Winter Off-peak	\$0.027092 per kWh

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LGS-85
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 301
Superseding:

Large Light and Power Service (LLP-14)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

To all large general power and lighting service on an optional basis when all energy is supplied at one point of delivery and through one metered service. The minimum monthly billing demand hereunder is 3,000 kW.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service.

CHARACTER OF SERVICE

Service shall be three-phase, 60 Hertz, Primary Service, and shall be supplied directly from any 46,000 volt, or higher voltage, system at a delivery voltage of not less than 13,800 volts and delivered at a single point of delivery unless otherwise specified in the contract.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge:	\$1,800 per month
Demand Charge:	\$21.98 per kW
Energy Charges:	
Summer (May – September)	\$0.003200 per kWh
Winter (October – April)	\$0.002100 per kWh
Base Power Charges:	
Summer (May – September)	\$0.031611 per kWh
Winter (October – April)	\$0.028388 per kWh

Purchased Power and Fuel Adjustment Clause (PPFAC): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC to reflect any increase or decrease in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.

BILLING DEMAND

The monthly billing demand shall be the greatest of the following:

1. The maximum 15 minute measured demand in the billing month;
2. 75 % of the maximum demand used for billing purposes in the preceding 11 months; or
3. The contract demand amount, not to be less than 3,000 kW.

PRIMARY SERVICE

The above Rate is subject to Primary Service and Metering. The Customer will provide the entire distribution system (including transformers) from the point of delivery to the load. The energy and demand shall be metered on primary side of the transformer.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LLP-14
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 301-1

Superseding:

POWER FACTOR ADJUSTMENT

The above rate is subject to a charge of 1.3¢ per kW of billing demand for each 1% the average monthly power factor is below 100%.

DIRECT ACCESS

A Customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charges:

Meter Services	\$ 449.66 per month
Meter Reading	\$ 74.29 per month
Billing & Collection	\$ 323.56 per month
Customer Delivery	\$ 952.49 per month
Total	\$1,800.00 per month

Demand Charges:

Delivery Charge (in \$/kW)	\$ 1.69 per kW
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Generation Capacity Charges (in \$/kW)

\$14.40 per kW

Fixed Must-Run Charges (in \$/kW)

\$ 0.97 per kW

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LLP-14
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 301-2

Superseding:

Transmission (in\$/kW) \$ 3.84 per kW

Transmission Ancillary Services (in \$/kW)

System Control & Dispatch \$ 0.05 per kW

Reactive Supply and Voltage Control \$ 0.20 per kW

Regulation and Frequency Response \$ 0.20 per kW

Spinning Reserve Service \$ 0.54 per kW

Supplemental Reserve Service \$ 0.09 per kW

Energy Imbalance Service: Currently charged pursuant to the Company's OATT

Energy Charges: (in \$/kWh)

Delivery Charges

Summer \$0.003200 per kWh

Winter \$0.002100 per kWh

Base Power Supply Charges:

Summer \$0.031611 per kWh

Winter \$0.028388 per kWh

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LLP-14
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 302
Superseding:

Large Light and Power Service Time of Use Program (LLP-90)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

To all large general power and lighting service on an optional basis when all energy is supplied at one point of delivery and through one metered service. The minimum monthly billing demand hereunder is 3000 kW.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service.

CHARACTER OF SERVICE

Service shall be three-phase, 60 Hertz, Primary Service, and shall be supplied directly from any 46,000 volt, or higher voltage, system at a delivery voltage of not less than 13,800 volts and delivered at a single point of delivery unless otherwise specified in the contract.

Customers must stay on this Rate for a minimum period of one (1) year.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge and minimum bill	\$2,000.00 per month
Demand Charges (includes Generation Capacity):	
Summer On-peak	\$ 20.49 per kW
Summer Off-peak Excess Demand	\$ 12.49 per kW
Winter On-peak	\$ 15.49 per kW
Winter Off-peak Excess Demand	\$ 9.99 per kW

Note:

1. For demand billing, "on-peak demand" shall be based on demand measured during peak periods.
2. For demand billing, "off-peak demand" shall be based on demand measured during the off-peak periods.

Energy Charges: All energy charges below are charged on a per kWh basis.

Delivery Charges (\$/kWh):

	Summer (May – September)	Winter (October – April)
On-Peak	\$0.006900	\$0.007500
Off-Peak	\$0.006500	\$0.007100

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LLP-90
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 302-1

Superseding: _____

TIME-OF-USE TIME PERIODS

The Summer On-Peak period is 2:00 p.m. to 8:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The Winter On-Peak periods are 6:00 a.m. - 10:00 a.m. and 5:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

Base Power Supply Charges (\$/kWh)

	Summer (May - September)	Winter (October - April)
On-Peak	\$0.045568	\$0.029581
Off-Peak	\$0.023985	\$0.024352

Purchased Power and Fuel Adjustment Clause (PPFAC): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC to reflect any increase or decrease in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.

DETERMINATION OF BILLING DEMAND

The greatest of the following:

1. The maximum 15 minute measured demand during the on-peak period of the billing month;
2. 75% of the maximum on-peak period billing demand used for billing purposes in the preceding 11 months; or
3. The contract demand amount, not to be less than 3,000 kW, and

Additionally, the maximum 15 minute measured demand during the off-peak period of the billing month that is in excess (i.e. positive incremental amount above) of 150% of that billing month's on-peak measured billing demand.

PRIMARY SERVICE

The above rate is subject to Primary Service and Metering. The Customer will provide the entire distribution system (including transformers) from the point of delivery to the load. The energy and demand shall be metered on primary side of transformers.

POWER FACTOR ADJUSTMENT

The above rate is subject to charge of 1.3¢ per kW of billing demand for each 1% the average monthly power factor is below 100%.

DIRECT ACCESS

A Customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LLP-90
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Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 302-2

Superseding: _____

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charges:

Meter Services	\$ 499.63 per month
Meter Reading	\$ 82.53 per month
Billing & Collection	\$ 359.51 per month
Customer Delivery	<u>\$1,058.33</u> per month
	\$2,000.00 per month

Demand Charges (\$/kW)

Delivery Charges

Summer & Winter On-peak	\$ 1.69 per kW
Summer & Winter Off-peak Excess Demand	\$ 1.61 per kW

Generation Capacity Charges (in \$/kW)

Summer On-peak	\$12.91 per kW
Summer Excess Demand	\$ 6.27 per kW
Winter On-peak	\$ 7.91 per kW
Winter Excess Demand	\$ 3.77 per kW

Fixed Must Run Charges (in \$/kW)

Summer & Winter On-peak	\$ 0.97 per kW
Summer & Winter Off-peak Excess Demand	\$ 0.92 per kW

Transmission (in \$/kW)

Summer & Winter On-peak	\$ 3.84 per kW
Summer & Winter Off-peak Excess Demand (kW)	\$ 2.88 per kW

Transmission - Ancillary System Control

Summer & Winter On-peak	\$ 0.05 per kW
Summer & Winter Off-peak Excess Demand (kW)	\$ 0.04 per kW

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LLP-90
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Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 302-3

Superseding: _____

Transmission - Ancillary Reactive Supply

Summer & Winter On-peak \$ 0.20 per kW

Summer & Winter Off-peak Excess Demand (kW) \$ 0.15 per kW

Transmission - Ancillary Frequency Response

Summer & Winter On-peak \$ 0.20 per kW

Summer & Winter Off-peak Excess Demand (kW) \$ 0.15 per kW

Transmission - Ancillary Spinning Reserve

Summer & Winter On-peak \$ 0.54 per kW

Summer & Winter Off-peak Excess Demand (kW) \$ 0.40 per kW

Transmission - Ancillary Supplemental Reserve

Summer & Winter On-peak \$ 0.09 per kW

Summer & Winter Off-peak Excess Demand (kW) \$ 0.07 per kW

Energy Imbalance Service: Currently charged pursuant to the Company's OATT

Energy Charges (\$/kWh)

Delivery Charges (in \$/kWh)

Summer On-peak \$0.006900 per kWh

Summer Off-peak Excess Demand \$0.006500 per kWh

Winter On-peak \$0.007500 per kWh

Winter Off-peak Excess Demand \$0.007100 per kWh

Base Power Supply Charges:

Summer

On-Peak \$0.045568 per kWh

Off-Peak \$0.023985 per kWh

Winter

On-Peak \$0.029581 per kWh

Off-Peak \$0.024352 per kWh

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Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LLP-90
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 501

Superseding: _____

Traffic Signal and Street Lighting Service (PS-41)

AVAILABILITY

Available for service to the State, a county, city, town, political subdivision, improvement district, or a responsible person or persons for unincorporated communities for Traffic Signal and Street Lighting purposes where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

Applicable to Customer owned and maintained traffic signals and public street and highway lighting.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service.

CHARACTER OF SERVICE

Service shall be single-phase or three-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery approved by the Company.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein.

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Energy Charges: All energy charges below are charged on a per kWh basis.

Delivery Charge: \$0.047600 per kWh

Base Power Charges:

Summer (May – September) \$0.035111 per kWh

Winter (October – April) \$0.031532 per kWh

Purchased Power and Fuel Adjustment Clause (PPFAC): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC to reflect any increase or decrease in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.

DIRECT ACCESS

A Customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this rate will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: PS-41
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 501-1

Superseding: _____

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Energy Charges: All energy charges below are charged on a per kWh basis.

Delivery Charge (in \$/kWh)

Summer	\$0.003400 per kWh
Winter	\$0.003400 per kWh

Generation Capacity (in \$/kWh)

Summer	\$0.010200 per kWh
Winter	\$0.010200 per kWh

Fixed Must-Run (in \$/kWh)

\$0.014300 per kWh

Transmission (in \$/kWh)

\$0.015300 per kWh

Transmission Ancillary Services (in \$/kWh)

System Control & Dispatch	\$0.000200 per kWh
Reactive Supply and Voltage Control	\$0.000800 per kWh
Regulation and Frequency Response	\$0.000800 per kWh
Spinning Reserve Service	\$0.002200 per kWh
Supplemental Reserve Service	\$0.000400 per kWh
Energy Imbalance Service: Currently charged pursuant to the Company's OATT.	

Base Power Supply Charge:

Summer	\$0.035111 per kWh
Winter	\$0.031532 per kWh

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: PS-41
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 502

Superseding:

Lighting Service (PS-50)

AVAILABILITY

At any point where the Company in its judgment has facilities of adequate capacity and suitable voltage available.

APPLICABILITY

Applicable to any Customer for private and public street lighting or outdoor area lighting where this service can be supplied from existing facilities of the Company.

The Company will install, own, operate, and maintain the complete lighting installation including lamp and globe replacements. Not applicable to resale service.

CHARACTER OF SERVICE

Multiple or series street lighting system at option of Company and at one standard nominal voltage.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein.

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Delivery Charge:

Service	55OH, 55P, 55UG	70UG	100 Watt	250 Watt	400 Watt	Underground Service	Pole
Per unit Per month	\$8.19	\$8.19	\$8.19	\$12.29	\$18.70	\$15.53	\$2.86

Note:

1. The watt high pressure sodium lamps are charged per unit per month.
2. Per one pole addition and an extension of up to 100 feet of overhead service are charged per pole.
3. Underground Service is per 100 watt or less high pressure sodium lamp unit per month mounted on standard pole.

Base Power Supply Charge:

Service	55OH, 55P, 55UG	70UG	100 Watt	250 Watt	400 Watt	Underground Service	Pole
Per unit Per month	\$0.85	\$0.94	\$1.34	\$3.36	\$5.38	\$0.00	\$0.00

Purchased Power and Fuel Adjustment Clause (PPFAC): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC to reflect any increase or decrease in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: PS-50
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 502-1

Superseding: _____

STANDARD LAMP UNITS, OVERHEAD SERVICE

1. The standard 100 watt lamp unit for overhead service is a 9,500 lumen high pressure sodium unit, mounted on a six (6) foot mast arm and controlled by a photoelectric cell. This unit will be mounted on a pole approximately twenty-five (25) feet above ground level and is for public and private street lighting and area lighting.
2. The standard 250 watt lamp unit for overhead service is a 27,500 lumen high pressure sodium unit, mounted on a twelve (12) foot mast arm and controlled by a photoelectric cell. This unit will be mounted on a pole approximately twenty-seven (27) feet above ground level and is for public and private street lighting.
3. The standard 400 watt lamp unit for overhead service is a 50,000 lumen high pressure sodium unit, mounted on an eighteen (18) foot mast arm and controlled by a photoelectric cell. This unit will be mounted on a pole approximately thirty-five (35) feet above ground level and is for public and private street lighting.
4. The standard 100 watt lamp unit for underground service is a 9,500 lumen high pressure sodium post top unit mounted on a pole approximately fifteen (15) feet above ground level and is for public and private street lighting and area lighting.

DIRECT ACCESS

A Customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth herein will be applied to the Customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

SPECIAL PROVISIONS

1. Installation of a light on an existing pole is subject to prior approval of Company.
2. For underground service up to ten (10) feet from the electrical source, the Customer shall be billed at the rates for overhead service.
3. Extensions beyond 100 feet and all installations other than those addressed in this rate will require specific agreements providing adequate revenue or arrangements for construction financing.
4. The Customer is not authorized to make connections to this lighting circuit or to make attachments or alterations to the Company owned pole.
5. If a Customer requests a relocation of a lighting installation, the costs of such relocation must be borne by the Customer.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: PS-50
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 502-2

Superseding: _____

6. The Customer is expected to notify the Company when lamp outages occur.
7. The Company will use diligence in maintaining service; however, monthly bills will not be reduced because of lamp outages.
8. After the minimum contract period, if any, has expired, this agreement shall be extended from year to year unless written notice of desire to terminate is given by the Customer at least thirty (30) days prior to the end of any such annual extension date. The Company reserves the right not to extend or cancel the lighting agreement at any time after the initial minimum contract period has expired.
9. Light installation is subject to the governmental agency approval process.
10. The Customer is responsible for all civil installation requirements as specified by the Company in accordance with the Electrical Service Requirements.
11. In the event a public improvement project conflict(s) with existing lighting facilities, the impacted facilities will be removed.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a Customer based on the type of facilities (e.g., metering) dedicated to the Customer or pursuant to the Customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: PS-50
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 502-3

Superseding:

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Delivery Components:

50, 70, 100 Watt (\$/Unit)	\$ 0.71 Per Unit
250 Watt (\$/Unit)	\$ 4.81 Per Unit
400 Watt (\$/Unit)	\$ 11.22 Per Unit

Generation Capacity (\$/Unit)	\$ 1.50 Per Unit
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Fixed Must Run (\$/Unit)	\$ 2.84 Per Unit
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Transmission (in \$/kWh)	\$ 2.45 Per Unit
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Transmission Ancillary Services (kn \$/kWh)

System Control & Dispatch	\$ 0.0300 Per Unit
Reactive Supply and Voltage Control	\$ 0.1300 Per Unit
Regulation and Frequency Response	\$ 0.1300 Per Unit
Spinning Reserve Service	\$ 0.3400 Per Unit
Supplemental Reserve Service	\$ 0.0600 Per Unit

Energy Imbalance Service: currently charged pursuant to the Company's OATT

Base Power Supply Charge:

Service	55OH, 55P, 55UG	70UG	100 Watt	250 Watt	400 Watt
Per unit Per month	\$0.85	\$0.94	\$1.34	\$3.36	\$5.38

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: PS-50
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 601

Superseding:

Water Pumping Service (GS-43)

AVAILABILITY

Available for service to the City of Tucson Water Utility and private water Companies where the facilities of the Company are of adequate capacity and are adjacent to the premises.

Available for interruptible service agricultural pumping customers throughout the entire area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

The service points being billed under the PS-43 and GS-31 rate classes as of the effective date of this tariff, but do not meet the above criteria, will be allowed to stay on this rate as long as they meet all other requirements specified in the tariff.

APPLICABILITY

Applicable for service to booster stations and wells used for domestic water supply. For Interruptible service this is applicable to separately metered interruptible agricultural water pumping service for irrigation purposes of the Customer only.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service.

CHARACTER OF SERVICE

The service shall be single-phase and three-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery approved by the Company. Primary metering may be used by mutual agreement.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein.

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge: \$15.50 per month

Energy Charges:

Firm Service:

Delivery Charge

Summer (May – September) \$0.068000 per kWh

Winter (October – April) \$0.048000 per kWh

Interruptible Service:

Delivery Charge

Summer (May – September) \$0.042000 per kWh

Winter (October – April) \$0.027000 per kWh

Base Power Supply Charges:

	Summer (May-September)	Winter (October – April)
Firm Service	\$0.035111	\$0.031532
Interruptible Service	\$0.031310	\$0.028420

Purchased Power and Fuel Adjustment Clause (PPFAC): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC to reflect any increase or decrease in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: GS-43
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 601-1

Superseding: _____

PRIMARY VOLTAGE DISCOUNT

A discount of 5% will be applied to the Delivery Charges (excluding the Customer Charge) and Power Supply Charges allowed from the above rates where Customer owns the transformers and service is metered at primary voltage.

DIRECT ACCESS

A Customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the Customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TERMS AND CONDITIONS OF INTERRUPTIBLE SERVICE

1. Customer must furnish, install, own, and maintain at each point of delivery all necessary Company approved equipment which will enable the Company to interrupt service with its master control station.
2. Service may be interrupted by Company during certain periods of the day not exceeding six hours in any 24-hour period.
3. Company will endeavor to give Customer one hour notice of impending interruption; however, service may be interrupted without notice should Company deem such action necessary.
4. The interruptible load shall be separately served and metered and shall at no time be connected to facilities serving Customer's firm load. Conversely, the firm load shall be separately served and metered and shall at no time be connected to facilities serving Customer's interruptible load.
5. Company shall not be liable for any loss or damage caused by or resulting from any interruption of service.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a Customer based on the type of facilities (e.g., metering) dedicated to the Customer or pursuant to the Customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: GS-43
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 601-2

Superseding:

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Firm Service

Customer Charge Components (Unbundled):

Description	Customer Charge
Meter Services	\$5.78 per month
Meter Reading	\$0.74 per month
Billing & Collection	\$3.19 per month
Customer Delivery	\$5.79 per month
Total	\$15.50 per month

Energy Charge Components (Unbundled):

Component	Summer (May – September)	Winter (October - April)
Local Delivery-Energy	\$0.021700	\$0.021700
Generation Capacity	\$0.033900	\$0.013900
Fixed Must-Run	\$0.003500	\$0.003500
Transmission	\$0.006800	\$0.006800
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000400	\$0.000400
Regulation and Frequency Response	\$0.000400	\$0.0004
Spinning Reserve Service	\$0.001000	\$0.001000
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		
Base Power Supply Charge	\$0.035111	\$0.031532
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: GS-43
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 601-3

Superseding:

Interruptible Service

Customer Charge Components (Unbundled):

Description	Customer Charge
Meter Services	\$5.78 per month
Meter Reading	\$0.74 per month
Billing & Collection	\$3.19 per month
Customer Delivery	\$5.79 per month
Total	\$15.50 per month

Energy Charge Components (Unbundled):

Component	Summer (May - September)	Winter (October - April)
Local Delivery-Energy	\$0.021700	\$0.007900
Generation Capacity	\$0.007900	\$0.006700
Fixed Must-Run	\$0.003500	\$0.003500
Transmission	\$0.006800	\$0.006800
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000400	\$0.000400
Regulation and Frequency Response	\$0.000400	\$0.000400
Spinning Reserve Service	\$0.001000	\$0.001000
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		
Base Power Supply Charge	\$0.031310	\$0.028420
PPFAC	In accordance with Rider 1 - PPFAC	

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: GS-43
Effective: July 1, 2013
Decision No.: 73912

Rider R-1
Purchased Power and Fuel Adjustment Clause (PPFAC)

APPLICABILITY

The Purchased Power and Fuel Adjustment Clause (PPFAC) will be applied to all Customers taking Standard Offer service from the Company pursuant to the Arizona Corporation Commission (ACC) Decision No. 73912 dated June 27, 2013 and as updated and defined in the Company's PPFAC Plan of Administration approved in ACC Decision No. 73912.

RATE

The Customer monthly bill shall consist of the applicable Rate, charges and adjustments in addition to the PPFAC. The PPFAC adjustor Rate, as shown in the TEP Statement of Charges, is an amount expressed as a Rate per kWh charge to reflect the cost to the Company for energy either generated or purchased.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the ACC see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above Rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

This standard Rules and Regulations of the Company as on file with the ACC shall apply where not inconsistent with this Rider.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-1
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 702
Superseding: _____

Rider R-2
Demand Side Management Surcharge (DSMS)

APPLICABILITY

The Demand Side Management Surcharge (DSMS) will be applied to all Customers taking Standard Offer service from the Company pursuant to the Arizona Corporation Commission (ACC) Decision No. 73912 dated June 27, 2013.

RATE

The DSMS shall be applied to all monthly bills. The DSMS will be assessed on a per kWh basis for residential Customers and on a percentage of bill basis for non-residential Customers. The Rates are shown in the TEP Statement of Charges.

REQUIREMENTS

The 2013 TEP DSMS is effective July 1, 2013 and will remain in effect until further order by the ACC.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the ACC see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the ACC shall apply where not inconsistent with this Rider.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-2
Effective: July 1, 2013
Decision No.: 73912

Rider R-3
Market Cost of Comparable Conventional Generation (MCCCG)
Calculation as Applicable to Rider-4 NM-PRS

AVAILABILITY

The Market Cost of Comparable Conventional Generation (MCCCG) calculation, Rider-3, is restricted solely to Rider-4, Net Metering for Certain Partial Requirements Service (NM-PRS). If for a billing month a Rider-4 NM-PRS Customer's generation facility's energy production exceeds the energy supplied by the Company, the Customer's bill for the next billing period shall be credited for the excess generation as described in Rider-4 NM-PRS. The excess kWh during the billing period shall be used to reduce the kWh supplied (not kW or kVA demand or customer/facilities charges) and billed by the Company during the following billing period. Each calendar year, for the customer bills produced in October (September usage) or a customer's "Final" bill - the Company shall credit the Customer for the positive balance of excess kWhs (if any) after netting against billing period usage. The payment for the purchase of the excess kWhs will be at the Company's applicable avoided cost, which for purposes of Rider-4 NM-PRS shall be the simple average of the hourly MCCCG as described below for the applicable year.

The Arizona Corporation Commission (ACC) provided guidance on defining MCCCG in the context of its REST Rules and identified the MCCCG as "the Affected Utility's energy and capacity cost of producing or procuring the incremental electricity that would be avoided by the resources used to meet the Annual Renewable Energy Requirement, taking into account hourly, seasonal and long term supply and demand circumstances. Avoided costs include any avoided transmission and distribution costs and any avoided environmental compliance costs." R14-2-1801.11.

CALCULATION/METHODOLOGY

For purposes of calculating credits to the Customer for Excess Generation, the unit price paid (Credit for Excess Generation) shall be the simple average of the MCCCG over the 8,760 hours (8,784 in a leap year) hours in the forecasted year. The MCCCG in each hour is based on whether native load requirements will be met by internally owned or contracted generation resources or if market purchases will be required to meet native load requirements. The following table provides a description of the MCCCG methodology. The hourly MCCCG cost determination criteria is based on the Market Condition and Dispatch Type. This method of cost determination is very data intensive and will be calculated annually by running TEP's "Planning and Risk" modeling software, and the rate will be filed with the Commission by February 1 of each year and its applicability will coincide with the next Purchased Power and Fuel Adjustment Clause (PPFAC) rate effective period.

RATE

The customer monthly bill shall consist of the applicable Rate, charges and adjustments in addition to the Credit for Excess Generation based on the MCCCG. The MCCCG is an amount expressed as a rate per kWh charge that is approved by the ACC on or before April 1 of each year and effective with the first billing cycle in April, as shown in the TEP Statement of Charges.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the ACC see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-3
Effective: July 1, 2013
Decision No.: 73912

MCCCG Cost Determination Matrix

Market Condition and Dispatch Type	Selling to Market from In House Real and Contracted Generation Sources	MCCCG Cost Based on Incremental Production/Purchase Cost of Base Load Generation for that hour
	No Market Transactions from/to In House and Contracted Generation Sources	
	Purchasing from Day Ahead Market, but not Spot Market, to meet Native Load Requirements	MCCCG Cost Based on Average Day Ahead Market Price of Purchased Power for that hour
	Purchasing from Spot Market to meet Native Load Requirements	MCCCG Cost Based on Average Spot Market Price of Purchased Power for that hour

Incremental Production / Purchase of Base Load - The cost of the next kWh (incremental) amount of load that has to be provided by TEP generation sources and/or purchased power. This will be dependent on the season, month and time of day.

If Day Ahead Market or Spot Market purchases are being used to provide for reliability support capacity to meet native load requirements by freeing up in house or contracted generation resources for regulation or spinning reserve purposes for support of native load requirements, that would still represent a Market Purchase for purposes of determining which matrix box is applicable.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-3
Effective: July 1, 2013
Decision No.: 73912

**Rider R-4
Net Metering for Certain
Partial Requirements Service (NM-PRS)**

AVAILABILITY

Available throughout the Company's entire electric service area to any Customer with a facility for the production of electricity on its premises using Renewable Resources ¹, a Fuel Cell ² or Combined Heat and Power (CHP) ³ to generate electricity, which is operated by or on behalf of the Customer, is intended to provide all or part of the Customer's electricity requirements, has a generating capacity less than or equal to 125% of the Customer's total connected load at the metered premise, or in the absence of load data, has capacity less than the Customer's electric service drop capacity, and is interconnected with and can operate in parallel and in phase with the Company's existing distribution system. Customer shall comply with all applicable federal, state, and local laws, regulations, ordinances and codes governing the production and/or sale of electricity.

For purposes of this Rate, the following notes and/or definitions apply:

¹Renewable Resources means natural resources that can be replenished by natural process. Renewable Resources include biogas, biomass, geothermal, hydroelectric, solar, or wind.

²Fuel Cell means a device that converts the chemical energy of a fuel directly into electricity without intermediate combustion or thermal cycles. The source of the chemical reaction must be derived from Renewable Resources.

³Combined Heat and Power (CHP) also known as cogeneration means a system that generates electricity and useful thermal energy in a single integrated system such that the useful power output of the facility plus one-half the useful thermal energy output during any 12-month period must be no less than 42.5 percent of the total energy input of fuel to the facility.

CHARACTER OF SERVICE

The service shall be single-phase or three-phase, 60 Hertz, at one standard nominal voltage as mutually agreed and subject to availability at the point of delivery. Primary metering will be used by mutual agreement between the Company and the Customer.

RATE

Customer Charges shall be billed pursuant to the Customer's standard offer Rate otherwise applicable under full requirements of service.

Power sales and special services supplied by the Company to the Customer in order to meet the Customer's supplemental or interruptible electric requirements will be priced pursuant to the Customer's standard offer Rate otherwise applicable under full requirements service.

Non-Time-of-Use Rates: For Customers taking service under a Standard Retail Rate that is not a time-of-use rate, the Customer Supplied kWh shall be credited against the Company Supplied kWh. The Customer's monthly bill shall be based on this net kWh amount. Any monthly Excess Generation will be treated in accordance with the provisions outlined below.

Time-of-Use Rates: For Customers taking service under a Standard Retail Rate that is a time-of-use rate, the Customer Supplied kWh during on-peak hours shall be credited against the Company Supplied kWh during on-peak hours. All Customer Supplied kWh during off-peak hours shall be credited against the Company Supplied kWh during off-peak hours. The Customer's monthly bill shall be based on this net kWh amount. Any monthly Excess Generation will be treated in accordance with the provisions outlined below.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-4
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 704-1

Superseding:

EXCESS GENERATION

If for a billing month the Customer's generation facility's energy production exceeds the energy supplied by the Company, the Customer's bill for the next billing period shall be credited for the excess generation. That is, the excess kWh during the billing period shall be used to reduce the kWh supplied (not kW or kVA demand or customer/facilities charges) and billed by the Company during the following billing period. Customers taking service under a time-of-use rate who are to receive credit in a subsequent billing period for excess kWh generated shall receive such credit in the next billing period for the on-peak or off-peak periods in which the kWh were generated by the Customer. Time-of-Use Customer's taking service in the billing month of April shall receive a credit to summer on-peak and summer off-peak usage in the billing month of May for any winter on-peak and/or winter off-peak excess generation for April.

Each calendar year, for the customer bills produced in October (September usage) or a customer's "Final" bill - the Company shall credit the Customer for the balance of excess kWhs after netting. The payment for the purchase of the excess kWhs will be at the Company's applicable avoided cost, which for purposes of this rate shall be the simple average of the hourly Market Cost of Comparable Conventional Generation (MCCCG) Rider-3 for the applicable year. The MCCCG, as it applies to this rate, is specified in Rider-3 MCCCG - Market Cost of Comparable Conventional Generation (MCCCG) Calculation as Applicable to Rider-4 NM-PRS (Net Metering for Certain Partial Requirements Service).

METERING

The Company will install a bi-directional meter at the point of delivery to the customer and meter at the point of output from each of the Customer's generators. At the Company's request a dedicated phone line will be provided by the customer to the metering to allow remote interregation of the meters at each site. If by mutual agreement between company and customer that a phone line is impractical or can not be provided - the customer will work with company to allow for the installation of equipment, on or with customer facilities or equipment to allow remote acces to each meter. Any additional cost of communication, such as but not limited too, cell phone service fees will be the responsibility of the customer.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission (ACC) see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the ACC shall apply where not inconsistent with this Rider.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-4
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 705

Superseding: _____

**Rider R-5
Electric Service Solar Rider
(Bright Tucson Community Solar™)**

APPLICABILITY

Rider-5 is for individually metered Customers who wish to participate in the Bright Tucson Community Solar Program. Under Rider-5, Customers will be able to purchase blocks of electricity from solar generation sources. Participation in Rider-5 is limited in the Company's sole discretion to the amount of solar generation available and subscription will be made on a first come, first served basis. In order to maximize subscription under Rider-5, TEP may limit the amount of solar block energy purchased by individual Customers. Rider-5 available prior to July 1, 2013 is further restricted to Customers being served under one of the following Rates:

- 1) Residential Lifeline Discount, Rate R-06-01
- 2) Residential Electric Service, Rate R-01
- 3) Small General Service, Rate GS-10
- 4) Large General Service, Rate LGS-13
- 5) Municipal Service, Rate PS-40

Rider-5 effective July 1, 2013 is further restricted to Customers being served under one of the following Rates:

- 1) Residential Electric Service, Rate R-01
- 2) Small General Service, Rate GS-10
- 3) Large General Service, Rate LGS-13

Customers being served under self-generation riders or plans may not purchase power under Rider-5 (including, but not limited to Net Metering for Certain Partial Requirements Service Rider-4 and Non-Firm Power Purchase from Renewable Energy Resources and Qualifying Cogeneration Facilities of 100 kilowatts (kW) or Less Capacity Rider-101).

RATE

Customers can contract for a portion or up to their average annual usage in solar blocks of 150 kilowatt hours (kWh) each. Transmission and distribution charges will be applied to all energy delivered, including energy delivered under Rider-5. The Customer is responsible for paying (each month) all charges incurred under their applicable rate schedule, and the total solar energy contracted for multiplied by the applicable solar block energy rate. Any demand based charges under the Customer's current Rate will not be affected by elections under Rider-5. No discounts specified in any of the above-listed standard offer tariffs will apply to this Rate.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission (ACC) see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-5
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 705-1

Superseding:

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the ACC shall apply where not inconsistent with this rate.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

TERMS AND CONDITIONS

- 1) Customers may contract for a portion or up to their average annual usage in solar blocks of 150 kWh. If Customer's annual average usage is not available, TEP will apply the appropriate class average. This limit can be reviewed annually at the request of the Customer.
- 2) Each solar block's energy rate will be maintained for twenty years from the date of purchase. For the purposes of the twenty year energy rate, solar blocks will be attributed to the Customer's original service address. Transfer of service under Rider-5 is prohibited. Should the Customer cancel service for any reason, his or her subscription under Rider-5 will expire.
- 3) Customers may add or delete solar blocks once within a twelve month period. Any addition of solar blocks will be at the then offered solar block energy rate.
- 4) Solar blocks will be applied to the actual energy usage each month. Electricity used in excess of the purchased solar blocks will be billed at the Customer's regular energy rate. If electricity usage is below the amount covered by the solar block(s), then the excess kWhs will be rolled forward and credited again the Customer's usage in the following month. The Customer will still be responsible for the full cost of the block(s) each month.

Customers will be credited for the balance of any excess kWhs annually, or on their final bill should the Customer terminate service under Rider-5. Each year, for the bills produced in October (September usage), TEP will credit Customers their excess kWhs after netting and reset their balance to zero. Credit for excess kWhs will be at the energy rate of the oldest solar block.

- 5) All contracted solar block kWhs and associated charges in a billing month will be excluded from the calculation of PPFAC and REST charges and/or credits.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-5
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 706

Superseding:

Rider R-6
Renewable Energy Standard and Tariff (REST) Surcharge
REST-TS1 Renewable Energy Program Expense Recovery

APPLICABILITY

Mandatory, non-bypassable surcharge applied to all energy consumed by all Customers throughout Company's entire electric service area.

RATES

For all energy billed which is supplied by the Company to the Customer. The REST surcharge shall be applied to all monthly bills. The REST rates are shown in the TEP Statement of Charges.

Notes:

1. A Large Commercial Customer is one with monthly demand greater or equal to 200 kW but less than 3,000 kW.
2. An Industrial Customer is one with monthly demand equal to or greater than 3,000 kW.
3. For non-metered services, the lesser of the load profile or otherwise estimated kWh required to provide the service in question, or the service's contract
4. kWh shall be used in the calculation of the surcharge.

This charge will be a line item on customer bills reading "Renewable Energy Standard Tariff."

Per Decision No. 73637 effective February 1, 2013, any Customer who has received incentives under the REST Rules, shall pay the average of the REST surcharge paid by members of their Customer class. This requirement shall apply to renewable systems reserved on and after January 1, 2012. The average price by class is shown in the TEP Statement of Charges

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission (ACC) see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the ACC shall apply where not inconsistent with this Rider.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-6
Effective: July 1, 2013
Decision No.: 73912

Rider R-7
Customer Self-Directed Renewable Energy Option
REST-TS2 Renewable Energy Standard Tariff

AVAILABILITY

Open to all Eligible Customers as defined at A.A.C. R14-02-1801.H.

APPLICABILITY

Any Eligible Customer that applies to the Company under this program and receives approval shall participate at its option.

PARTICIPATION PROCESS

An Eligible Customer seeking to participate shall submit to the Company a written application that describes the Distributed Renewable Energy (DRE) resources or facilities that it proposes to install and the estimated costs of the project. The Company shall have sixty (60) calendar days to evaluate and respond in writing to the Eligible Customer, either accepting or declining the project. If accepted, the Customer shall be reimbursed up to the actual dollar amounts of customer surcharge paid under the REST-TS1 Tariff in any calendar year in which DRE facilities are installed as part of the accepted project. To qualify for such funds, the Customer shall provide at least half of the funding necessary to complete the project described in the accepted application, and shall provide the Company with sufficient and reasonable written documentation of the project's costs. Customer shall submit their application prior to May 1 of a given year to apply for funding in the following calendar year.

FACILITIES INSTALLED

The maintenance and repair of the facilities installed by a Customer under this program shall be the responsibility of the Customer following completion of the project. In order to be accepted by the Company for reimbursement purposes, the project shall, at a minimum, conform to the Company's System Qualification standards on file with the Commission. (REST Implementation Plan, Renewable Energy Credit Purchase Program – RECPP, Distributed Generation Interconnection Requirements, Net Metering Tariff, Company's Interconnection Manual)

PAYMENTS AND CREDITS

All funds reimbursed by the Company to the Customer for installation of approved DRE facilities shall be paid on an annual basis no later than March 30th of each calendar year. All Renewable Energy Credits derived from a project, including generation and Extra Credit Multipliers, shall become the property of the Company and shall be applied towards the Company's Annual Renewable Energy Requirement as defined in A.A.C. R14-2-1801.B.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this Rider.

RELATED SCHEDULES

- REST-TS1 - Renewable Energy Program Expense Recovery

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-7
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 708

Superseding:

Rider R-8 Lost Fixed Cost Recovery (LFCR)

APPLICABILITY

The Lost Fixed Cost Recovery (LFCR) will be applied to all Customers taking service from the Company other than traffic signal and street lighting service, lighting service, water pumping service, and large light and power service as defined in the Company's LFCR Plan of Administration (POA). As provided for in the POA, in the event a residential Customer chooses to contribute to this program by paying a fixed charge option, the monthly Customer Charge specified on the appropriate Standard Offer tariff will be charged in lieu of the percentage rate shown in the TEP Statement of Charges.

CHANGE IN RATE

The LFCR recovers a portion of the authorized margin approved in the Company's most recent rate case that has been lost as the result of implementing ACC-mandated Energy Efficiency and Distributed Generation programs. Each year, percentage charges will be placed in effect and charged to the participating Rate classes for the 12-month period the LFCR adjustment is applicable. The total year-on-year adjustment cannot exceed 2% of the Company's most recent total combined retail calendar year revenues for all participating Rate classes.

The LFCR adjustments shall be applied to all monthly bills as a percentage of the total bill and are anticipated to become effective on or around July 1, 2014.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission (ACC) see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the ACC shall apply where not inconsistent with this rate.

Filed By: Kenton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-8
Effective: July 1, 2013
Decision No.: 73912

Rider R-9
Environmental Compliance Adjustor (ECA)

APPLICABILITY

The Environmental Compliance Adjustor (ECA) will be applied to all Customers taking Standard Offer service from the Company pursuant to the Arizona Corporation Commission (ACC) Decision No. 73912 dated June 27, 2013 and as defined in the Company's ECA Plan of Administration.

RATE

The Customer monthly bill shall consist of the applicable Rate charges and adjustments including the ECA. The ECA adjustor Rate is an amount expressed as a Rate per kWh charge, as shown in the TEP Statement of Charges.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the ACC see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

This standard Rules and Regulations of the Company as on file with the ACC shall apply where not inconsistent with this Rider.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-9
Effective: July 1, 2013
Decision No.: 73912

Rider R-10
MGC-1 Market Generation Credit (MGC) Calculation

INTRODUCTION

There are two purposes of the Market Generation Credit (MGC). The first purpose is to establish a price to which TEP's energy customers can compare to the prices of competitors. The second purpose is to enable the calculation of the variable or "floating" component of TEP's stranded cost recovery. Shown below are the terms of the MGC methodology per TEP's Settlement Agreement, Section 2.1(d), as amended March 20, 2003:

The monthly MGC amount shall be calculated in advance and stated as both an on-peak value and an off-peak value. The monthly on-peak MGC component shall be equal to the Market Price multiplied by one plus the appropriate line loss (including unaccounted for energy ("UFE")) amount. The Market Price shall be equal to the Tullett Liberty Long-Term Forward Assessment for the Palo Verde Forward price, except when adjusted for the variable cost of TEP's must-run generation. The Market Price shall be determined thirty (30) days prior to each calendar month using the average of the most recent three (3) business days of Tullett Liberty Long-Term Forward Assessment for Palo Verde settlement prices. The off-peak MGC component shall be determined in the same manner as the on-peak component, except that the Tullett Liberty Long-Term Forward Assessment for the Palo Verde Forward price will be adjusted by the ratio of off-peak to on-peak prices from the Dow Jones Palo Verde Index of the same month from the preceding year. The MGC shall be equal to the hours-weighted average of the on-peak and off-peak pricing components and shall reflect the cost of serving a one hundred percent (100%) load factor customer.

To reflect the cost of serving a 100% load factor customer, the actual MGC used for billing calculations will be a loss adjusted average price that is weighted by the ratio of on-peak and off-peak hours. This process is illustrated in equations 4 and 5 below and will be posted to TEP's website <http://partners.tucsonelectric.com> thirty (30) days prior to each calendar month. This composite price will be credited to all energy consumption, regardless of the time period in which it is consumed.

CALCULATIONS

Five steps are outlined below for the calculation of the MGC. None of the steps are excludable for any customer type. Acronyms are defined in the Glossary at the end of this document.

1. Calculating the on-peak MGC

Thirty (30) days prior to each calendar estimation month, the Tullett Prebon Long-Term Forward Assessment for Palo Verde Forward prices for the three (3) most recent business days are used. The simple average (or arithmetic mean) is calculated for these three (3) days for the estimation month.

$$MGC_{ON,i} = \frac{\sum (TULLETT)_i}{3} \quad (\text{Equation 1})$$

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Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-10
Effective: July 1, 2013
Decision No.: 73912

The calculation is illustrated in the table below.

Forward Prices per MWh	Apr-2002
3/1/2002	\$25.50
2/28/2002	\$25.50
2/27/2002	\$24.75
Average	\$25.25

2. Calculating the off-peak MGC

The off-peak MGC is determined by multiplying the on-peak MGC value by the off-peak price weighting factor (WEIGHT). The WEIGHT is equal to the simple average of all off-peak prices from the Dow Jones Palo Verde Index in the same month of the previous year, divided by the simple average of all on-peak prices from the Dow Jones Palo Verde Index in the same month of the previous year. Off-peak, on-peak and holiday hours are defined by NERC in the estimation month.

$$MGC_{OFF,i} = MGC_{ON,i} * WEIGHT_i \quad (\text{Equation 2})$$

where

$$WEIGHT_i = \frac{DJPVI_{OFF,i}}{DJPVI_{ON,i}} \quad (\text{Equation 3})$$

3. Weighting the MGC for hours in the month

The on-peak and off-peak MGCs are combined to form an average MGC by computing a weighted average of the two time periods. This is done by multiplying the on-peak MGC by the percentage of on-peak hours in the same month of the previous year and then adding the product of the off-peak MGC and the percentage of off-peak hours in the same month of the previous year. Off-peak, on-peak and holiday hours are defined by NERC in the estimation month.

$$MGC_{WEIGHT,i} = MGC_{ON,i} * \left(\frac{ONHOURS}{ONHOURS + OFFHOURS} \right) + MGC_{OFF,i} * \left(\frac{OFFHOURS}{ONHOURS + OFFHOURS} \right) \quad (\text{Equation 4})$$

Filed By: Kentton C. Grant
 Title: Vice President of Finance and Rates
 District: Entire Electric Service Area

Rate: R-10
 Effective: July 1, 2013
 Decision No.: 73912

4. Loss-adjusting the MGC

The average MGC must be adjusted for line losses. The appropriate line loss adjustment factor (LLAF) for a large industrial customer is 1.0515. For all other customers, the appropriate factor is 1.0919.

$$MGC_{LOSS,i} = MGC_{WEIGHT,i} * LLAF \quad (\text{Equation 5})$$

5. Adjusting the MGC for variable must-run

The MGC will be adjusted for variable must-run as defined in TEP's Stranded Cost Settlement Agreement and AISA protocols. Fifteen (15) days prior to each month, TEP forecasts a ratio of its variable must-run generation to retail system demand for the following month. The MGC is determined by adding the product of MGC_{LOSS} and one minus the ratio of variable must-run generation to total retail system demand to the product of \$15/MWh and the variable must-run ratio.

$$MGC_i = [MGC_{LOSS,i} * (1 - VMR_i)] + (\$15 * VMR_i) \quad (\text{Equation 6})$$

This calculation produces the final value for the Market Generation Credit.

GLOSSARY

DJPV_{OFF}	Simple average of off-peak prices on the Dow Jones Palo Verde Index.
DJPV_{ON}	Simple average of on-peak prices on the Dow Jones Palo Verde Index.
Dow Jones Palo Verde Index	Daily calculation of actual firm on-peak and firm off-peak weighted average prices for electricity traded at Palo Verde, Arizona switchyard.
AISA	Arizona Independent Scheduling Administrator, a temporary entity, independent of transmission-owning organizations, intended to facilitate nondiscriminatory retail direct access using the transmission system in Arizona. Required by the Arizona Corporation Commission Retail Electric Competition Rules.
LLAF	Line-loss adjustment factor.
MGC	Market Generation Credit.
MGC_{OFF}	MGC_{ON} weighted by the ratio of off-peak to on-peak prices on the Dow Jones Palo Verde Index.
MGC_{ON}	Average of the Tullett Liberty prices on days appropriate for the calculation of the MGC.



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 710-3

Superseding: _____

MGC_{Loss}	MGC _{WEIGHT} adjusted for line losses (including unaccounted for energy) on TEP's generation and energy delivery systems.
MGC_{WEIGHT}	A weighted average of MGC _{CON} and MGC _{OFF} by ONHOURS and OFFHOURS.
Must-run Generation	The cost associated with the running of local generating units needed to maintain distribution system reliability and to meet load requirements in times of congestion on certain portions of the interconnected grid.
NERC	North American Electric Reliability Council. A voluntary not-for-profit organization established to promote bulk electric system reliability and security. Membership includes: investor-owned utilities; federal power agencies; rural electric cooperatives; state, municipal and provincial utilities; independent power producers; power marketers; and end-use customers.
OFFHOURS	Number of total monthly off-peak hours as defined by NERC. Off-peak hours are hour ending 0100 – hour ending 0600 and hour ending 2300 – hour ending 2400, Monday through Saturday, Pacific Prevailing Time (PPT). All Sunday hours are considered off-peak. PPT is defined as the current clock time in the Pacific time zone.
ONHOURS	Number of total monthly on-peak hours as defined by NERC. On-peak hours are hour ending 0700 – hour ending 2200 Monday through Saturday, Pacific Prevailing Time (PPT). PPT is defined as the current clock time in the Pacific time zone.
TULLETT	Tullett Liberty - a provider of independent real-time price information from the wholesale inter-dealer brokered commodity markets, from which the on-peak Long Term Forward Assessment of market prices of electricity at the Palo Verde, Arizona switchyard are obtained. The forward product is "6 x 16," power is for 16 hours a day for six days a week (Monday through Saturday) for the delivery period, excluding NERC holidays.
Stranded Costs	The difference between revenues under competition and the costs of providing service, including the inherited fixed costs from the previous regulated market.
TEP	Tucson Electric Power Company, a subsidiary of UNS Energy Corp.
TEP Settlement Agreement	An agreement between TEP, the Arizona Residential Utility Consumer Office, members of the Arizonans for Electric Choice and Competition, and Arizona Community Action Association regarding TEP's implementation of retail electric competition, implementation of unbundled tariffs, and recovery of stranded costs.
VMR	Ratio of variable must-run generation (MW) to total retail system demand (MW) in TEP's service territory.
WEIGHT	Ratio of off-peak to on-peak prices on the Dow Jones Palo Verde Index.

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Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-10
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 711

Superseding:

Rider R-11
Schedule MGC-2 Market Generation Credit (MGC)
Calculation for Partial Requirements Services

INTRODUCTION

The purpose of the Market Generation Credit (MGC) for Partial Requirements Services is to establish a price at which TEP's partial requirements customers will purchase backup/standby and supplemental energy for applicable Partial Requirements Service tariff customers. The Market Generation Credit for Partial Requirements Services is consistent with the MGC methodology per TEP's Settlement Agreement, Section 2.1(d), as amended March 20, 2003.

The monthly MGC amount shall be calculated in advance and stated as both an on-peak value and an off-peak value. The monthly on-peak MGC component shall be equal to the Market Price multiplied by one plus the appropriate line loss (including unaccounted for energy ("UFE")) amount. The Market Price shall be equal to the Tullett Liberty Long-Term Forward Assessment for the Palo Verde Forward price, except when adjusted for the variable cost of TEP's must-run generation. The Market Price shall be determined fifteen (15) days prior to each calendar month using the average of the most recent three (3) business days of Tullett Liberty Long-Term Forward Assessment for Palo Verde settlement prices. The off-peak MGC component shall be determined in the same manner as the on-peak component, except that the Tullett Liberty Long-Term Forward Assessment for the Palo Verde Forward price will be adjusted by the ratio of off-peak to on-peak prices from the Dow Jones Palo Verde Index of the same month from the preceding year.

CALCULATIONS

The Customer will be charged adjusted on-peak MGC multiplied by kWh consumption for On-peak hours, and adjusted off-peak MGC multiplied by kWh consumption for Off-peak hours. Three steps are outlined below for the calculation of the MGC. None of the steps are excludable for any customer type. Acronyms are defined in the Glossary at the end of this document.

1. Calculating the on-peak MGC

Fifteen (15) days prior to each calendar estimation month, the Platts Long-Term Forward Assessment for Palo Verde Forward prices for the three (3) most recent business days are used. The simple average (or arithmetic mean) is calculated for these three (3) days for the estimation month.

$$MGC_{ON,i} = \frac{\sum (TULLETT)_i}{3} \quad \text{(Equation 1)}$$

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 Title: Vice President of Finance and Rates
 District: Entire Electric Service Area

Rate: R-11
 Effective: July 1, 2013
 Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 711-1

Superseding:

The calculation is illustrated in the table below.

Forward Prices per MWh	Apr 2002
3/13/2002	\$25.80
3/14/2002	\$26.90
3/15/2002	\$27.75
Average	\$26.82

2. Calculating the off-peak MGC

The off-peak MGC is determined by multiplying the on-peak MGC value by the off-peak price weighting factor (WEIGHT). The WEIGHT is equal to the simple average of all off-peak prices from the Dow Jones Palo Verde Index in the same month of the previous year, divided by the simple average of all on-peak prices from the Dow Jones Palo Verde Index in the same month of the previous year. Off-peak, on-peak and holiday hours are defined by NERC in the estimation month.

$$MGC_{OFF,i} = MGC_{ON,i} * WEIGHT_i \quad (\text{Equation 2})$$

where

$$WEIGHT_i = \frac{DJPVI_{OFF,i}}{DJPVI_{ON,i}} \quad (\text{Equation 3})$$

3. Loss-adjusting the MGC

The on-peak MGC and the off-peak MGC must be adjusted for line losses. The appropriate line loss adjustment factor (LLAF) for the large industrial customer class is 1.0515; for all other customer classes, the appropriate factor is 1.0919.

$$MGC_{LOSS-ON,i} = MGC_{ON,i} * LLAF \quad (\text{Equation 4})$$

$$MGC_{LOSS-OFF,i} = MGC_{OFF,i} * LLAF \quad (\text{Equation 5})$$

This calculation produces the final value for the on-peak and off-peak Market Generation Credits.

GLOSSARY

DJPVI _{OFF}	Simple average of off-peak prices on the Dow Jones Palo Verde Index.
DJPVI _{ON}	Simple average of on-peak prices on the Dow Jones Palo Verde Index.
Dow Jones Palo Verde Index	Daily calculation of actual firm on-peak and firm off-peak weighted average prices for electricity traded at Palo Verde, Arizona switchyard.

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Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-11
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 711-2
Superseding: _____

LLAF	Line-loss adjustment factor.
MGC	Market Generation Credit.
MGC _{OFF}	MGC _{ON} weighted by the ratio of off-peak to on-peak prices on the Dow Jones Palo Verde Index.
MGC _{ON}	Average of the Tullett Liberty prices on days appropriate for the calculation of the MGC.
MGC _{LOSS-ON}	MGC _{ON} adjusted for line losses (including unaccounted for energy) on TEP's generation and energy delivery systems.
MGC _{LOSS-OFF}	MGC _{OFF} adjusted for line losses (including unaccounted for energy) on TEP's generation and energy delivery systems.
NERC	North American Electric Reliability Council. A voluntary not-for-profit organization established to promote bulk electric system reliability and security. Membership include investor-owned utilities; federal power agencies; rural electric cooperatives; state, municipal and provincial utilities; independent power producers; power marketers; and end-use customers.
Off-Peak Hours	Number of total monthly off-peak hours as defined by NERC. Off-peak hours are hour ending 0100 – hour ending 0600 and hour ending 2300 – hour ending 2400, Monday through Saturday, Pacific Prevailing Time (PPT). All Sunday hours are considered off-peak. PPT is defined as the current clock time in the Pacific time zone.
On-Peak Hours	Number of total monthly on-peak hours as defined by NERC. On-peak hours are hour ending 0700 – hour ending 2200 Monday through Saturday, Pacific Prevailing Time (PPT). PPT is defined as the current clock time in the Pacific time zone.
TULLETT	Tullett Liberty - a provider of independent real-time price information from the wholesale inter-dealer brokered commodity markets, from which the on-peak Long Term Forward Assessment of market prices of electricity at the Palo Verde, Arizona switchyard are obtained. The forward product is "6 x 16," power is for 16 hours a day for six days a week (Monday through Saturday) for the delivery period, excluding NERC holidays.
Stranded Costs	The difference between revenues under competition and the costs of providing service, including the inherited fixed costs from the previous regulated market.
TEP	Tucson Electric Power Company, a subsidiary of UNS Energy Corp.
TEP Settlement Agreement	An agreement between TEP, the Arizona Residential Utility Consumer Office, members of the Arizonans for Electric Choice and Competition, and Arizona Community Action Association regarding TEP's implementation of retail electric competition, implementation of unbundled tariffs, and recovery of stranded costs.
WEIGHT	Ratio of off-peak to on-peak prices on the Dow Jones Palo Verde Index.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-11
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 801

Superseding:

TEP STATEMENT OF CHARGES

Fee No.	Description	Rate	Effective Date	Decision No.
1.	Service Transfer Fee	\$ 20.00	July 1, 2013	73912
2.	Customer-Requested Meter Re-read	\$ 20.00	July 1, 2013	73912
3.	Special Meter Reading Fee	\$ 20.00	July 1, 2013	73912
4.	Service Establishment and Reestablishment under usual operating procedures During Regulator Business Hours – Single-Phase Service	\$ 32.00	July 1, 2013	73912
5.	Service Establishment and Reestablishment under usual operating procedures After Regular Business Hours (includes Saturdays, Sundays and Holidays) – Single-Phase Service	\$ 57.00	July 1, 2013	73912
6.	Service Establishment and Reestablishment under usual operating procedures During Regular Business Hours – Three-Phase Service	\$ 78.00	July 1, 2013	73912
7.	Service Establishment and Reestablishment under usual operating procedures After Regular Business Hours (includes Saturdays, Sundays and Holidays) – Three-Phase Service	\$ 216.00	July 1, 2013	73912
8.	Service Reestablishment under other than usual operating procedures – Single-Phase Service	\$ 150.00	July 1, 2013	73912
9.	Single-Phase Line Extension Charge per Foot	\$ 17.00	July 1, 2013	73912
10.	Three-Phase Line Extension Charge per Foot	\$ 27.00	July 1, 2013	73912
11.	Underground Differential Line Extension Charge per Foot	\$ 21.00	July 1, 2013	73912
12.	PME Switchgear Cabinet	\$20,500.00	July 1, 2013	73912
13.	Meter Test	\$ 186.00	July 1, 2013	73912
14.	Returned Payment Fee	\$ 10.00	July 1, 2013	73912
15.	Late Payment Finance Charge	1.5%	July 1, 2013	73912

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: Statement of Charges
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 801-1

Superseding:

TEP STATEMENT OF CHARGES

(continued)

Description	Rate	Effective Date	Decision No.
Rider R-1 – Purchased Power and Fuel Adjustment Clause (PPFAC)	\$(0.001388) per kWh	July 1, 2013	73912
Rider R-2 – Demand Side Management Surcharge (DSMS)			
RESIDENTIAL:	\$0.002232 per kWh	July 1, 2013	73912
NON-RESIDENTIAL:	0.025479%		
Rider R-3 – Market Cost of Comparable Conventional Generation (MCCCG) Calculation as Applicable to Rider-4 NM-PRS	\$0.025240 per kWh	April 1, 2013	73771
Rider R-5 – Electric Service Solar Rider (Bright Tucson Community Solar™)			
Solar Block Energy Rate for Residential Lifeline Discount, Rate R-06-01	\$0.050198 per kWh	February 1, 2011	71835 ¹
Solar Block Energy Rate for Residential Electric Service, Rate R-01	\$0.050324 per kWh		
Solar Block Energy Rate for General Service, Rate GS-10	\$0.048475 per kWh		
Solar Block Energy Rate for Large General Service, Rate LGS-13	\$0.049371 per kWh		
Solar Block Energy Rate for Municipal Service, Rate PS-40	\$0.049086 per kWh		
Rider R-5 – Electric Service Solar Rider (Bright Tucson Community Solar™)			
Solar Block Energy Rate for Residential Electric Service, Rate R-01	\$0.053463 per kWh	July 1, 2013	73912
Solar Block Energy Rate for Small General Service, Rate GS-10	\$0.053274 per kWh		
Solar Block Energy Rate for Large General Service, Rate LGS-13	\$0.053227 per kWh		
Rider R-6 – Renewable Energy Standard and Tariff Surcharge REST-TS1 Renewable Energy Program Expense Recovery	\$0.008000 per kWh		
<u>Monthly Cap</u>	<u>Monthly Cap</u>	February 1, 2013	73637
For Residential Customers:	\$ 3.80 per month		
For Small Commercial Customers:	\$ 130.00 per month		
For Large Commercial Customers:	\$1,050.00 per month		
For Industrial Customers:	\$7,700.00 per month		
For Public Authority:	\$ 170.00 per month		
For Lighting:	\$ 130.00 per month		

¹The Rider R-5 approved by Decision No. 71835 is closed for new enrollment as of July 1, 2013

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: Statement of Charges
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 801-2

Superseding:

TEP STATEMENT OF CHARGES

(continued)

Description	Rate	Effective Date	Decision No.
Rider R-6 – Renewable Energy Standard and Tariff Surcharge REST-TS1 Renewable Energy Program Expense Recovery Customers receiving REST incentives since January 1, 2012 are charged the following average cap (in place of a \$ per kWh surcharge) <u>Monthly Cap</u> For Residential Customers: For Small Commercial Customers: For Large Commercial Customers: For Industrial Customers: For Public Authority: For Lighting:	<u>Monthly Cap</u> \$ 3.21 per month \$ 24.10 per month \$ 797.05 per month \$7,283.00 per month \$ 53.50 per month \$ 12.03 per month	February 1, 2013	73637
Rider R-8 – Lost Fixed Cost Recovery (LFCR) Mechanism Lost Fixed Cost Recovery (LFCR) Mechanism	XXXXX % XXXXX %	On or around July 2014	73912
Rider R-9 – Environmental Compliance Adjustor (ECA)	\$0.0000 per kWh	July 1, 2013	73912

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: Statement of Charges
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 802

Superseding: _____

Bill Estimation Methodologies

Tucson Electric Power Company (TEP) regularly encounters situations in which TEP cannot obtain a complete and valid meter read. No matter the cause of the need to estimate the read, the following methods are used depending on the circumstances.

PREVIOUS YEAR FORMULA

SAME CUSTOMER WITH AT LEAST ONE YEAR OF HISTORY

TEP would generate a bill based on customer usage from the previous year using the "PREVIOUS YEAR" formula as follows:

If last year's usage was estimated, see Previous Month Formula:

LAST YEAR'S USAGE FOR SAME MONTH / NUMBER OF DAYS IN BILLING PERIOD = PER DAY USAGE
(FOR "TIME OF USE" (TOU) THIS WOULD BE APPLIED TO EACH PERIOD)

PER DAY USAGE X NUMBER OF DAYS IN THIS MONTH'S CYCLE = ESTIMATED USAGE
(FOR TOU THIS WOULD BE APPLIED TO EACH PERIOD)

PREVIOUS MONTH FORMULA

SAME CUSTOMER AT SAME PREMISE WITH LESS THAN ONE YEAR OF HISTORY

TEP would generate a bill based on customer usage from the previous month using the "PREVIOUS MONTH" formula as follows:

If last month's usage was estimated, see Trend Formula:

LAST MONTHS USAGE / NUMBER OF DAYS IN BILLING PERIOD = PER DAY USAGE
(FOR TOU THIS WOULD BE APPLIED TO EACH PERIOD)

PER DAY USAGE X NUMBER OF DAYS IN THIS MONTH'S CYCLE = ESTIMATED USAGE
(FOR TOU THIS WOULD BE APPLIED TO EACH PERIOD)

TREND FORMULA

NEW CUSTOMER AT SAME PREMISE

TEP would generate a bill using the "TREND" formula, based on customer's usage trend as described below:

TEP's customer information system (CIS) would generate a bill based on trend. Customers are assigned to a Trend area which differentiate consumption based on different geographic areas. Secondly, the customer is assigned to a Trend class which is used to differentiate consumption trends based on the type of service and type of property. An example of this would be residential, commercial, and industrial usage. Thirdly, all consumption is identified using unit of measure code and a time of use code. Within TEP's CIS, a trend record is created from each billed service. This record becomes part of a trend table. During estimation, consumption from three prior bill cycles is compared to the consumption from the same cycle in the previous month to determine a trend. This trend, plus a tolerance, is used to create a usage amount for bill estimation.

CUSTOMER'S USAGE IN PREVIOUS PERIOD / AVERAGE CUSTOMER'S USAGE IN PREVIOUS PERIOD X AVERAGE CUSTOMER'S
USAGE IN CURRENT PERIOD = ESTIMATED CONSUMPTION FOR REGISTER READ

NO HISTORY

TEP would not generate a bill until a good meter read was acquired then use known consumption to estimate previous bills.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: Bill Estimation - 1
Effective: July 1, 2013
Decision No.: 73912



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 802-1

Superseding:

Demand Estimate

For accounts that have a demand billing component TEP collects interval data. This interval data is used to manually estimate demands using the following methodologies:

SAME CUSTOMER AT SAME PREMISE WITH AT LEAST ONE YEAR OF HISTORY

TEP would generate a bill based on customer usage from the previous year using the following formula:

$$\text{LAST YEAR'S DEMAND FOR SAME MONTH} = \text{ESTIMATED DEMAND}$$

NEW CUSTOMER AT SAME PREMISE WITH AT LEAST ONE YEAR OF HISTORY

TEP would generate a bill based on customer usage from the previous month using the following formula:

$$\text{LAST MONTHS DEMAND} = \text{ESTIMATED DEMAND}$$

SAME CUSTOMER AT SAME PREMISE WITH LESS THAN ONE YEAR OF HISTORY

TEP would generate a bill based on customer usage from the previous month using the following formula:

$$\text{LAST MONTHS DEMAND} = \text{ESTIMATED DEMAND}$$

NEW CUSTOMER AT SAME PREMISE WITH LESS THAN ONE YEAR OF HISTORY

TEP would generate a bill based on customer usage from the previous month using the following formula:

$$\text{LAST MONTHS DEMAND} = \text{ESTIMATED DEMAND}$$

NO HISTORY

TEP would not generate a bill until a good demand read was acquired then use known demand to estimate previous bills.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: Bill Estimation - 1
Effective: July 1, 2013
Decision No.: 73912

Rules and Regulations



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 900
Superseding: _____

TABLE OF CONTENTS

<u>SECTION</u>	<u>TITLE</u>	<u>SHEET No.</u>
1	APPLICABILITY OF RULES AND REGULATIONS AND DESCRIPTION OF SERVICE	901
2	DEFINITIONS	902
3	ESTABLISHMENT OF SERVICE	903
4	MINIMUM CUSTOMER INFORMATION REQUIREMENTS	904
5	MASTER METERING	905
6	SERVICE LINES AND ESTABLISHMENTS	906
7	LINE EXTENSIONS	907
8	PROVISION OF SERVICE	908
9	CHARACTER OF SERVICE – VOLTAGE, FREQUENCY AND PHASE	909
10	METER READING	910
11	BILLING AND COLLECTION	911
12	TERMINATION OF SERVICE	912
13	RECONNECTION OF SERVICE	913
14	ADMINISTRATIVE AND HEARING REQUIREMENTS	914
15	TEMPORARY SERVICE OR CYCLICAL USAGE	915
16	STANDBY SERVICE	916
17	POWER FACTOR	917

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District: Entire Electric Service Area

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Decision No.
Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 901
Superseding: _____

SECTION 1

APPLICABILITY OF RULES AND REGULATIONS AND DESCRIPTION OF SERVICE

- A. Tucson Electric Power Company ("Company") is an electric utility operating within portions of the state of Arizona. The Company will provide service to any person, institution or business located within its service area in accordance with the provisions of its Rates and the terms and conditions of these Rules and Regulations.
- B. All electricity delivered to any Customer is for the sole use of that Customer on that Customer's premises only. Electricity delivered by the Company will not be redelivered or resold, or the use thereof by others permitted unless otherwise expressly agreed to in writing by the Company. However, those Customers purchasing electricity for redistribution to the Customer's own tenants (only on the Customer's premises) may separately meter each tenant distribution point for the purpose of prorating the Customer's actual purchase price of electricity delivered among the various tenants on a per unit basis.
- C. These Rules and Regulations will apply to all electric service furnished by the Company to its Customers.
- D. These Rules and Regulations are part of the Company's Rates on file with, and duly approved by, the Arizona Corporation Commission. These Rules and Regulations will remain in effect until modified, amended, or deleted by order of the ACC. No employee, agent or representative of the Company is authorized to modify the Company Rules.
- E. These Rules and Regulations will be applied uniformly to all similarly situated Customers.
- F. In case of any conflict between these Rules and Regulations and the ACC's rules, these Rules and Regulations will apply.
- G. Whenever the Company and an Applicant or a Customer are unable to agree on the terms and conditions under which the Applicant or Customer is to be served, or are unable to agree on the proper interpretation of these Rules and Regulations, either party may request assistance from the Consumer Services Section of the Utilities Division of the ACC. The Applicant or Customer also has the option to file an application with the ACC for a proper order, after notice and hearing.
- H. The Company's supplying electric service to the Customer and the acceptance thereof by the Customer will be deemed to constitute an agreement by and between the Company and the Customer for delivery, acceptance of and payment for electric service under the Company's Rules and Regulations and applicable Rates.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Effective:
Decision No.
Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 902
Superseding: _____

SECTION 2 DEFINITIONS

- A. In these Rules and Regulations, the following definitions will apply unless the context requires otherwise:
1. Applicant: A person requesting the Company to supply electric service.
 2. Application: A request to the Company for electric service, as distinguished from an inquiry as to the availability or charges for this service.
 3. Arizona Corporation Commission ("ACC" or "Commission"): The regulatory authority of the State of Arizona having jurisdiction over public service corporations operating in Arizona hereinafter referred to as the "Commission."
 4. Billing Month: The period between any two regular readings of the Company's meters at approximately thirty (30) day intervals.
 5. Billing Period: The time interval between two consecutive meter readings taken for billing purposes.
 6. Company: Tucson Electric Power Company acting through its duly authorized officers or employees within the scope of their respective duties.
 7. Competitive Services: All aspects of retail service except those services specifically defined as "Non-competitive Services" pursuant to R14-2-1601(27) of the ACC-approved Competition Rules, or noncompetitive services as defined by the Federal Energy Regulatory Commission.
 8. Connected Load: The sum of the power rating of the Customer's electrical apparatus connected to the Company's system.
 9. Contiguous Site: A single site not separated by private or public property, or public street, or right of way and operated as one integral unit under the same name and as a part of the same business.
 10. Contributions in Aid of Construction ("Contribution"): Funds provided to the Company by the Applicant under the terms of a line extension agreement and/or service connection Rate, the value of which is not refundable.
 11. Customer: The person(s) or entity(ies) in whose name service is rendered, as evidenced by the request for electric service by the Applicant(s), or by the receipt and/or payment of bills regularly issued in his name regardless of the identity of the actual user of the service.
 12. Customer Charge: The amount the Customer must pay the Company for the availability of electric service, excluding any electricity used, as specified in the Company's Rates.
 13. Day: Calendar Day

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Effective:
Decision No.
Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 902-1
Superseding: _____

SECTION 2 DEFINITIONS (continued)

14. Demand: The rate at which power is delivered during any specified period of time. Demand may be expressed in kilowatts, kilovolt-amperes, or other suitable units.
15. Disabled: A person with a physical or mental condition which substantially contributes to the person's inability to manage his or her own resources, carry out daily living activities, or protect oneself from neglect or hazardous situations without assistance from others.
16. Distribution Lines: The Company's lines operated at distribution voltage, which are constructed along public roadways or other bona fide rights-of-way, including easements on Customer's property.
17. Elderly: A person who is 65 years of age or older.
18. Electronic Billing: Optional billing service whereby Customers may elect to receive, view and pay their bills electronically.
19. Energy: Electric energy, expressed in kilowatt-hours.
20. Illness: A medical ailment or sickness for which a residential Customer obtains a verified document from a licensed medical physician stating the nature of the illness and that discontinuance of service would be especially dangerous to the Customer's health.
21. Interruptible Electric Service: Electric service that is subject to interruption as specified in the Company's Rate.
22. Kilowatt ("kW"): A unit of power equal to 1,000 watts.
23. Kilowatt-Hour ("kWh"): The amount of electric energy delivered in one hour at a constant rate of one kilowatt.
24. Law: Any statute, rule, order or requirement established and enforced by government authorities.
25. Line Extension: The lines and equipment necessary to extend the electric distribution system of the Company to provide service to additional Customers.
26. Long-Term Rental Mobile Home Park: A park which is finish-graded and has permanently paved roadways, sewer and water connections, and which provides rental spaces to permanent and semi-permanent occupants of mobile homes which are owned either by the occupant or by other persons.
27. Master Meter: A meter for measuring or recording the flow of electricity at a single location before distribution to tenants or occupants for their individual usage.
28. Megawatt ("MW"): Unit of power equal to 1,000,000 watts.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Effective:
Decision No.
Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 902-2
Superseding: _____

SECTION 2 DEFINITIONS (continued)

29. **Meter:** The instrument and any associated equipment used for measuring, indicating or recording the flow of electricity that has passed through it.
30. **Meter Tampering:** A situation in which a meter has been illegally altered, including, but not limited to: meter bypassing; use of magnets to slow the meter recording; and broken meter seals.
31. **Minimum Charge:** The amount the Customer must pay for the availability of electric service, including an amount of usage, as specified in the Company's Rates.
32. **Month:** The period between any two (2) regular readings of the Company's meters at approximately thirty (30) day intervals.
33. **On-site Generation:** Any and all power production generated on or adjacent to a Customer's property that is controlled, utilized, sold, or consumed by said Customer or its agent.
34. **Pad Mounted Elbow Switchgear Cabinet ("PME Switchgear Cabinet"):** A 3-phase pad mounted switchgear used within an underground distribution system.
35. **Permanent Customer:** A Customer who is a tenant or owner of a service location who applies for and receives permanent electric service.
36. **Permanent Service:** Service which, in the opinion of the Company, is of a permanent and established character. The use of electricity may be continuous, intermittent, or seasonal in nature.
37. **Person:** Any individual, partnership, firm, corporation, governmental agency, or other organization operating as a single entity.
38. **Point of Delivery:** In all cases, unless otherwise specified, "point of delivery" is the location on the Customer's building, structure, or premises where all wires, conductors, or other current-carrying devices of the Customer join or connect with wires, conductors, or other current-carrying devices of the Company. The Company will determine the point of delivery in accordance and based on the specific design specifications, relevant and appropriate technical standards and specifications, rate schedules and construction standards as applicable to the specific situation. Location and type of metering facilities will be determined by the Company and may or may not be at the same location as the point of delivery.
39. **Power:** The rate of generating, transferring and/or using electric energy, usually expressed in kilowatts.
40. **Power Factor:** The ratio of real or active power ("kW") to apparent or reactive power ("kVA").
41. **Premises:** All of the real property and apparatus employed in a single enterprise on an integral parcel of land undivided by public streets, alleys or railways.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Effective:
Decision No.
Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 902-3

Superseding: _____

SECTION 2 DEFINITIONS (continued)

42. Primary Service and Metering: Service supplied directly from the Company's high voltage distribution or transmission lines without prior transformation to a secondary level.
43. Rates: The charge(s), related term(s) and conditions of the Company's tariffs.
44. Residential Subdivision Development: Any tract of land which has been divided into six or more contiguous lots with an average size of one acre or less for use for the construction of residential buildings or permanent mobile homes for either single or multiple occupancy.
45. Residential Use: Service to Customers using electricity for domestic purposes such as space heating, air conditioning, water heating, cooking, clothes drying, and other residential uses, including use in apartment buildings, mobile home parks, and other multi-unit residential buildings.
46. Rules and Regulations or Company Rules: These Rules and Regulations that are part of the Company's Tariffs and Rates.
47. Secondary Service: Service supplied at secondary voltage levels from the load side of step-down transformers connected to the Company's high voltage distribution lines.
48. Service Area: The territory in which the Company has been granted a certificate of convenience and necessity and is authorized by the Commission to provide electric service.
49. Service Classifications: Service classifications will be those provided by the filed rate schedules.
50. Service Drop: The overhead service conductors from the last Company-owned pole or other aerial support to and including the splices, if any, connecting to the Customer's service entrance conductors at a building or other structure.
51. Service Establishment Charge: The charge as specified in the Company's Rates which covers the cost of establishing a new account.
52. Service Lateral: The underground service conductors between the street main, including any risers at a pole or other structure or from transformers, and the first point of connection to the Customer's service entrance conductors in a terminal box or meter or other enclosure with adequate space, inside or outside the building wall.
53. Service Line: The last line extending from a distribution line or transformer to the Customer's premises or point of delivery.
54. Service Point: Unless otherwise stated, all references to "service point" in this agreement will refer to an installed service, identified by a Universal Node Identifier ("UNI").

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

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Decision No.
Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 902-4
Superseding: _____

SECTION 2 DEFINITIONS (continued)

55. Service Reconnection Charge: The charge as specified in the Company's Rates which must be paid by the Customer prior to reestablishment of electric service each time the electricity is disconnected for nonpayment or whenever service is otherwise discontinued for failure to comply with the Company's Rates or Rules and Regulations.
56. Service Reestablishment Charge: A charge as specified in the Company's Rates for service at the same location where the same Customer had ordered a service disconnection within the preceding twelve-month period.
57. Single Family Dwelling: A house, apartment, or a mobile home permanently affixed to a lot, or any other permanent residential unit which is used as a permanent home.
58. Single-Phase Service: Three (3) wire service (usually 120/240 volts).
59. Tariffs: The terms and conditions of the services offered by the Company, including a schedule of the rates and charges for those services.
60. Temporary Service: Service to premises or enterprises which are temporary in character, or where it is known in advance that the service will be of limited duration. Service which, in the opinion of the Company, is for operations of a speculative character is also considered temporary service.
61. Three-Phase Service: Four (4) wire service (usually 120/208 volts).
62. Universal Node Identifier ("UNI"): A unique, permanent identification number assigned to each service Point of Delivery.
63. Weather Especially Dangerous to Health: That period of time commencing with the scheduled termination date when the local weather forecast, as predicted by the National Oceanic and Atmospheric Administration, indicates that the temperature will not exceed 32 degrees Fahrenheit for the next day's forecast.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

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Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 903
Superseding: _____

SECTION 3 ESTABLISHMENT OF SERVICE

A. Information from New Applicants

1. The Company may obtain the following minimum information from each new application for service:
 - a. Name or names of Applicant(s);
 - b. Service address or location and telephone number;
 - c. Billing address and telephone number, if different than service address;
 - d. Social security number or Driver's License number and date of birth to be consistent with verifiable information on legal identification;
 - e. Address where service was provided previously;
 - f. Date Applicant will be ready for service;
 - g. Whether premises had been supplied with electric service previously;
 - h. Purpose for which service is to be used;
 - i. Whether Applicant is owner or tenant of, or agent for the premises;
 - j. Information concerning the energy and demand requirements of the Customer; and
 - k. Type and kind of life-support equipment, if any, used by the Customer.
2. The supplying of electric service by the Company and the acceptance of that electric service by the Customer will be deemed to constitute an agreement by and between the Company and the Customer for delivery, acceptance of and payment for electric service under the Company's applicable Rates and Rules and Regulations.
3. The term of any agreement not otherwise specified will become operative on the day the Customer's installation is connected to the Company's facilities for the purpose of taking electric energy.
4. The Company may require a written contract with special guarantees from Applicants whose unusual characteristics of load or location would require excessive investment in facilities or whose requirements for service are of a special nature.
5. Signed contracts may be required for service to commercial and industrial establishments. Neither these contracts, nor any modifications to these contracts, will be binding upon the Company until executed by a duly authorized representative of the Company.
6. Where service is rendered to two (2) or more Customers whose names appear on the bill, as evidenced on the bill, the Company will have the right to collect the full amount owed it from any one of the Customers.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Effective: July 1, 2013
Decision No. 73912
Rules and Regulations



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 903-1
Superseding: _____

SECTION 3 ESTABLISHMENT OF SERVICE (continued)

7. Where an occupant of the premises who owes a debt to the Company, but is not the Applicant or the Customer, the occupant shall also be jointly and severally liable for the bills rendered to the premises.

B. Deposits

1. The Company may require from any present or prospective Customer a deposit to guarantee payment of all bills. This deposit may be retained by the Company until service is discontinued and all bills have been paid, except as provided in Subsection 3.B.3 below. Upon proper application by the Customer, the Company will then return said deposit, together with any unpaid interest accrued thereon from the date of commencement of service or the date of making the deposit, whichever is later. The Company will be entitled to apply said deposit together with any unpaid interest accrued thereon, to any indebtedness for the same class of service owed to the Company for electric service furnished to the Customer making the deposit. When said deposit has been applied to any such indebtedness, the Customer's electric service may be discontinued until all such indebtedness of the Customer is paid and a like deposit is again made with the Company by the Customer. No interest will accrue on any deposit after discontinuance of the service to which the deposit relates.

The Company will not require a deposit from a new Applicant for residential service if the Applicant is able to meet any of the following requirements:

- a. The Applicant has had service of a comparable nature with the Company at another service location within the past two (2) years and was not delinquent in payment during the last twelve (12) consecutive months of service or was not disconnected for nonpayment; or
 - b. The Applicant can produce a letter of credit or verification from an electric utility where service of a comparable nature was last received which states that the Applicant has had a timely payment history at time of service discontinuation; or
 - c. Instead of a deposit, the Company receives deposit guarantee notification from a social or governmental agency acceptable to the Company. A surety bond may be provided as security for the Company in an amount equal to the required deposit.
2. The Company may issue a non-assignable, non-negotiable receipt to the Applicant for the deposit. The inability of the Customer to produce his or her receipt will in no way impair the Customer's right to receive a refund of the deposit that is reflected on the Company records.

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Title: Vice President of Finance and Rates
District: Entire Electric Service Area

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Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 903-2
Superseding: _____

SECTION 3 ESTABLISHMENT OF SERVICE (continued)

3. Cash deposits held by the Company twelve (12) months or longer will earn interest at the established one-year Treasury constant maturities rate, effective on the first business day of each year, as published on the Federal Reserve website.
 - a. Residential Customers – Deposits or other instruments of credit will automatically expire or be refunded or credited to the Customer's account, after twelve (12) consecutive months of service during which time the Customer has not been delinquent more than two (2) times in a twelve-month period.
 - b. Non-Residential Customers – Deposits or other instruments of credit will automatically expire or be refunded or credited to the Customer's account after twenty-four (24) consecutive months of service during which the Customer has not been delinquent more than two (2) times or disconnected for non-payment in the most recent twelve (12) month period.
4. The Company may require a Customer to establish or reestablish a deposit if the Customer became delinquent in the payment of three (3) or more bills within a twelve (12) consecutive month period, or has been disconnected from service during the last twelve (12) months, or the Company has a reasonable belief that the Customer is not credit worthy based on a rating from a credit agency utilized by the Company.
5. The Company may review the Customer's usage after service has been connected and adjust the deposit amount based upon the Customer's actual usage.
6. A separate deposit may be required for each meter installed.
7. Residential Customer deposits will not exceed two (2) times that Customer's estimated average monthly bill. Non-residential Customer deposits will not exceed two and one-half (2.5) times that Customer's maximum estimated monthly bill. If actual usage history is available, then that usage, adjusted for normal weather, will be the basis for the estimate.
8. The posting of a deposit will not preclude the Company from terminating service when the termination is due to the Customer's failure to perform any obligation under the agreement for service or any of these Rules and Regulations.

C. Conditions for Supplying Service

The Company reserves the right to determine the conditions under which service will be provided. Conditions for service and extending service to the Customer will be based upon the following:

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District: Entire Electric Service Area

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Decision No. 73912
Rules and Regulations



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 903-3
Superseding: _____

SECTION 3 ESTABLISHMENT OF SERVICE (continued)

1. Customer has wired his premises in accordance with the National Electric Code, City, County and/or State codes, whichever are applicable.
2. If the Company determines that there is a reasonable basis to believe that the Customer's premises poses a safety risk to Company employees, then the Company may, at its option, install a meter or facilities with remote connect and/or disconnect capabilities.
3. Customer has installed the meter loop in a suitable location approved by the Company.
4. In the case of a mobile home, the meter loop must be attached to a meter pole or to an approved support.
5. In case of temporary construction service, the meter loop must be attached to an approved support.
6. All meter loop installations must be in accordance with the Company's specifications and located at an outdoor location accessible to the Company.
7. Individual Customers may be required to have their property corner pins and/or markers installed to establish proper right-of-way locations.
8. Developers must have all property corner pins and/or markers installed necessary to establish proper locations to supply electric service to individual lots within subdivisions.
9. Where the installation requires more than one meter for service to the premises, each meter panel must be permanently marked (not painted) by the contractor or Customer to properly identify the portion of the premises being served.
10. The identification will be the same as the apartment, office, etc., served by that meter socket. The identifying marking placed on each meter panel will be impressed into or raised from a tab of aluminum, brass or other approved non-ferrous metal with minimum one-fourth (1/4) inch-high letters. This tag must be riveted to the meter panel. The impression must be deep enough to prevent the identification(s) from being obscured by subsequent painting of the building and attached service equipment.
11. The Company may require the assistance of the Customer and/or the Customer's contractor to open the apartments or offices at the time the meters are set, in order to verify that each meter socket actually serves the apartment or office indicated by the marking tag. In the case of multiple buildings, the building or unit number and street address will be identified on the pull section in the manner described above.

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July 1, 2013
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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 903-4
Superseding: _____

SECTION 3 ESTABLISHMENT OF SERVICE (continued)

D. Grounds for Refusal of Service

The Company may refuse to establish service if any of the following conditions exist:

1. When the Applicant has an outstanding amount due for the same class of service with the Company and the Applicant is unwilling to make satisfactory arrangements with the Company for payment, in such cases, the Company shall be entitled to transfer the balance due on the terminated service to any other active account of the Customer for the same class of service. The failure of the Customer to pay the active account shall result in the suspension or termination of service.
2. A condition exists which in the Company's judgment is unsafe or hazardous to the Applicant, the general population, or the Company's personnel or facilities.
3. Refusal by the Applicant to provide the Company with a deposit when the Customer has failed to meet the credit criteria for waiver of deposit requirements.
4. Customer is known to be in violation of the Company's Rates filed with and approved by the Commission.
5. Failure of the Customer to furnish such funds, service, equipment, and/or rights-of-way necessary to serve the Customer and which have been specified by the Company as a condition for providing service.
6. Customer fails to provide safe access to the meter that would be serving the Customer.
7. Applicant falsifies his or her identity for the purpose of obtaining service.
8. Service is requested by an Applicant and a prior Customer, who is either living with the Applicant, or who is an occupant of the premises who owes a debt to the Company from the same class of service from the same or a prior service address.
9. The Applicant is acting as an agent for a prior Customer who is deriving benefits from the energy supplied and who owes a delinquent bill from the same class of service from the same or a prior service address.
10. There is evidence of tampering or energy diversion.

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District: Entire Electric Service Area

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Decision No.
Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 903-5
Superseding: _____

SECTION 3 ESTABLISHMENT OF SERVICE (continued)

E. Service Establishment, Reestablishment and Reconnection Charge

1. The Company will make a charge, as approved by the Commission for service transfer for meter reads only set forth as Fee No. 1 in the TEP Statement of Charges.
2. The Company will make a charge, as approved by the Commission for service establishment or reestablishment other than service reads under usual operating procedures, for single-phase service only during regular business hours set forth as Fee No. 7 in the TEP Statement of Charges.
3. Should single-phase service be established or reestablished during a period other than regular working hours at the Customer's request, the Customer will be required to pay an after-hours charge for the service connection set forth as Fee No. 8 in the TEP Statement of Charges. Where Company scheduling will not permit service establishment on the same day as requested, the Customer may elect to pay the after-hours charge for establishment that day or his/her service will be established on the next available business day set forth as Fee No. 11 in the TEP Statement of Charges. Even so, a Customer's request to have the Company establish service after-hours is subject to the Company having Staff available; there is no guarantee that the Company will have the staffing available for service establishment, reestablishment or reconnection outside of regular business hours.
4. The Company will make a charge, as approved by the Commission for service establishment or reestablishment other than service reads under usual operating procedures, for three-phase service only, during regular business hours set forth as Fee No. 9 in the TEP Statement of Charges.
5. Should three-phase service be established or reestablished during a period other than regular working hours at the Customer's request, the Customer will be required to pay an after-hours charge for the service connection set forth as Fee No. 10 in the TEP Statement of Charges. Where Company scheduling will not permit service establishment on the same day as requested, the Customer may elect to pay the after-hours charge for establishment that day or his/her service will be established on the next available business day. Even so, a Customer's request to have the Company establish service after-hours is subject to the Company having Staff available; there is no guarantee that the Company will have the staffing available for service establishment, reestablishment or reconnection outside of regular business hours.
6. For the purpose of this rule, the definition of service establishment is where the Applicant's facilities are ready and acceptable to the Company, the Applicant has obtained all required permits and/or inspections indicating that the Applicant's facilities comply with local construction safety and governmental standards and regulations, and the Company needs only to install a meter, read a meter, or turn the service on.
7. Reconnection Charge: Whenever the Company has discontinued service under its usual operating procedures because of any default by the Customer as provided herein, a reconnection charge not to exceed one of the charges for the reestablishment of service set forth as Fee Nos. 7-10 in the TEP Statement of Charges will be made and may be collected by the Company before service is restored. When, due to the behavior of the Customer, it has been necessary to discontinue service utilizing other than usual operating procedures, the Company will be entitled to charge and collect, through verifiable means, actual costs to restore service as set forth in the TEP Statement of Charges.

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Decision No.
Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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Superseding:

SECTION 3 ESTABLISHMENT OF SERVICE (continued)

F. Temporary Service

1. Applicants for temporary service may be required to pay Line Extension charges in accordance with Section 7.C.3.7.d.
2. Where duration of service is to be less than one month, the Applicant may also be required to advance a sum of money equal to the estimated bill for service.
3. Where the duration of service is to exceed one month, the Applicant may also be required to meet the deposit requirements of the Company.

G. Identification of Load and Premises: Upon request of the Company, the Applicant must identify the electric load and premises to be served by the Company at the time of application. If the service address is not recognized in terms of commonly-used identification system, the Applicant may be required to provide specific written directions and/or legal descriptions before the Company will be required to act upon a request for electric service.

H. Identification of Responsible Party: Any person applying on behalf of another Applicant for service to be connected in the name of or in care of another Applicant must furnish to the Company written approval from that Applicant guaranteeing payment of all bills under the account. The Customer is responsible in all cases for service supplied to the premises until the Company has received proper notice of the effective date of any change. The Customer will also promptly notify the Company of any change in physical or electronic billing address.

I. Tampering With or Damaging Company Equipment

1. The Customer agrees, when accepting service that no one except authorized Company employees or agents of the Company will be allowed to remove or replace any Company-owned equipment installed on Customer's property.
2. No person, except an employee or agent acting on behalf of the Company will alter, remove, or make any connection to the Company's meter or service equipment.
3. No meter seal may be broken or removed by anyone other than an employee or agent acting on behalf of the Company; however, the Company may give its prior consent to break the seal by an approved electrician employed by a Customer when deemed necessary by the Company.

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District: Entire Electric Service Area

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Decision No.
Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 903-7
Superseding: _____

SECTION 3 ESTABLISHMENT OF SERVICE (continued)

4. The Customer will be held responsible for any broken seals, tampering, or interfering with the Company's meter(s) or any other Company-owned equipment installed on the Customer's premises. In cases of tampering with meter installations, interfering with the proper working thereof, or any tampering, interfering, theft, or service diversion, including the falsification of Customer-read meter readings, Customer will be subject to immediate discontinuance of service. The Company will be entitled to collect from the Customer whose name the service is in, under the appropriate rate, for all power and energy not recorded on the meter as the result of such tampering, or other theft of service, and also additional security deposits as well as all expenses incurred by the Company for property damages, investigation of the illegal act, and all legal expenses and court costs incurred by the Company.
5. The Customer will be held liable for any loss or damage occasioned or caused by the Customer's negligence, want of proper care or wrongful act or omission on the part of any Customer's agents, employees, licensees or contractors.

J. Access

1. The Customer is responsible for providing safe access to Company facilities. The Company's authorized agents shall have satisfactory unassisted twenty-four (24) hour a day, seven (7) days a week access to the Company's equipment located on Customer's premise for the purpose of repair and service restoration work that the Company may need to perform.
2. If additional resources are required to gain safe access to perform service establishment, disconnection, meter reading, or routine maintenance, due to an affirmative, wrongful, and/or criminal act by the Customer, the Company will be entitled to collect from the Customer all expenses incurred by the Company for additional resources including: investigation of access, all legal expenses, and court costs.

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District: Entire Electric Service Area

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Decision No.
Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 4 MINIMUM CUSTOMER INFORMATION REQUIREMENTS

A. Information for Customers

1. The Company will make available upon Customer request not later than sixty (60) days from the date of the request, a concise summary of the rate schedule applied for by the Customer. The summary will include the following:
 - a. The monthly minimum or Customer charge, identifying the amount of the charge and the specific amount of usage included in the minimum charge, where applicable;
 - b. Rate blocks, where applicable;
 - c. Any adjustment factor(s) and method of calculation; and
 - d. Demand charge, where applicable.
2. Upon request of the Customer, either at the time of application or after, the Company will use its best efforts to assist the Customer in choosing an appropriate Rate. However, upon application for service or upon request for assistance, the Applicant or the Customer will elect the applicable Rate best suited to his requirements. The Company may assist in making this election, but will not be held responsible for notifying the Customer of the most favorable Rate and will not be required to refund the difference in charges under different Rates. The Customer is solely responsible for selecting the Rate the Customer believes is appropriate. If no Rate is selected; the Customer will be placed on the most common Rate for the class of service and the Company will not be liable to refund the difference in charges had the Customer been placed on different Rates.
3. Upon written notification of any material changes in the Customer's installation or load conditions, the Company will assist in determining if a change in Rates is desirable, but not more than one (1) such change at the Customer's request will be made within any twelve-month period.
4. The supply of electric service under a residential rate schedule to a dwelling involving some business or professional activity will be permitted only where such activity is of only occasional occurrence, or where the electricity used in connection with such activity is small in amount and used only by equipment which would normally be in use if the space were used as living quarters. Where the portion of a dwelling is used regularly for business, professional or other gainful purposes, and any considerable amount of electricity is used for other than domestic purposes, or electrical equipment not normally used in living quarters is installed in connection with such activities referred to above, the entire premises must be classified as non-residential and the appropriate general service Rate will be applied.

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District: Entire Electric Service Area

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Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company
Rules and Regulations

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SECTION 4
MINIMUM CUSTOMER INFORMATION REQUIREMENTS
(continued)

5. Upon Customer request the Company will make available within sixty (60) days from date of service commencement, a concise summary of the Company's Rates or the Commission's Rules and Regulations concerning:
 - a. Deposits;
 - b. Termination of service;
 - c. Billing and collection; and
 - d. Complaint handling.
 6. Upon request of a Customer, the Company will transmit a written statement of actual consumption for each billing period during the prior twelve (12) months unless this data is not reasonably ascertainable. But the Company will not be required to accept more than one such request from each Customer in a calendar year. Even so, the Company will charge a fee consistent with its ACC-approved Rates and/or these Rules and Regulations for providing consumption, interval or other data to the Customer.
 7. The Company will inform all new Customers of their right to obtain the information specified above.
- B. Information Required Due to Changes in Rates
1. The Company will transmit to affected Customers a concise summary of any change in the Company's Rates affecting those Customers.
 2. This information will be transmitted to the affected Customer within sixty (60) days of the effective date of the change.

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July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 5 MASTER METERING

A. Mobile Home Parks - New Construction/Expansion

1. The Company will refuse service to all new construction and/or expansion of existing permanent residential mobile home parks unless the construction and/or expansion are individually metered by the Company. Line extensions and service connections to serve this new construction and/or expansion will be governed by these Rules and Regulations.
2. For the purpose of this rule, permanent residential mobile home parks will mean mobile home parks where, in the opinion of the Company, the average length of stay for an occupant is a minimum of six months.
3. For the purpose of this rule, expansion means the acquisition of additional real property for permanent residential spaces in excess of that existing at the effective date of this rule.

B. Residential Apartment Complexes, Condominiums, and other Multi-unit Residential Buildings

1. Master metering will not be allowed for new construction of apartment complexes and condominiums unless the building(s) will be served by a centralized heating, ventilation and/or air conditioning system and the contractor can provide to the Company an analysis demonstrating that the central unit will result in a favorable cost/benefit relationship.
2. At a minimum, the cost/benefit analysis will consider the following elements for a central unit as compared to individual units:
 - a. Equipment and labor costs;
 - b. Financing costs;
 - c. Maintenance costs;
 - d. Estimated kWh usage;
 - e. Estimated kW demand on a coincident demand and non-coincident demand basis (for individual units);
 - f. Cost of meters and installation; and
 - g. Customer accounting cost (one account vs. several accounts).

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July 1, 2013
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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 6 SERVICE LINES AND ESTABLISHMENTS

A. Priority and Timing of Service Establishments

1. After an Applicant has complied with the Company's application requirements and has been accepted for service by the Company and obtained all required easements, permits and/or inspections indicating that the Customer's facilities comply with local construction, safety and governmental standards or regulations, the Company will schedule that Customer for service establishment.
2. All charges are due and payable before the Company will schedule the Customer for service establishment.
3. Service establishments will be scheduled for completion within five (5) business days of the date the Customer has been accepted for service, except in those instances when the Customer requests service establishment beyond the five (5) business day limitation.
4. When the Company has made arrangements to meet with a Customer for service establishment purposes and the Company or the Customer cannot make the appointment during the prearranged time, the Company will reschedule the service establishment to the satisfaction of both parties.
5. The Company will schedule service establishment appointments within a maximum range of four (4) hours during normal working hours, unless another time frame is mutually acceptable to the Company and the Customer.
6. Service establishments must only be made by the Company.
7. For the purposes of this rule, service establishments are where the Customer's facilities are ready and acceptable to the Company and the Company needs only to install or read a meter or turn the service on.

B. Service Lines

1. Customer-provided Facilities

- a. Each Applicant for service will be responsible for all inside wiring, including the service entrance, meter socket and conduit. For three-phase service, the Customer will provide, at his expense, all facilities, including conductors and conduit, beyond the Company-designated point of delivery.
- b. Meters and service switches in conjunction with the meter must be installed in a location where the meters will be readily and safely accessible for reading, testing and inspection and where such activities will cause the least interference and inconvenience to the Customer. Location of metering facilities will be determined by the Company and may or may not be at the same location as the point of delivery. However, the meter locations will not be on the front exterior wall of the home, or in the carport or garage, unless mutually agreed to between the home builder or Customer and the Company. Without cost to the Company, the Customer must provide, at a suitable and easily accessible location, sufficient and proper space for installation of meters.

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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 6 SERVICE LINES AND ESTABLISHMENTS (continued)

- c. Where the meter or service line location on the Customer's premises is changed at the request of the Customer or due to alterations on the Customer's premises, the Customer, at his expense, must provide and have installed all wiring and equipment necessary for relocating the meter and service line connection. The Company will assess a charge for moving the meter and/or service line.
 - d. Customer will provide access to the main switch or breaker for disconnecting load to enable safe installation and removal of Company meters.
2. Overhead Service Connections - Secondary Service
- a. For the initial service drop: where the Company's distribution pole line is located on the Customer's premises, or on a street, highway, lane, alley, road or private easement immediately contiguous thereto, the Company will, at its own expense, furnish and install a single span of service drop line (up to 500 feet in total) from its pole to the Customer's point of attachment, provided such attachment is at the point of delivery and is of a type and so located that the service drop wires may be installed in a manner approved by the Company in accordance with good engineering practice, and in compliance with all applicable laws, ordinances, rules and regulations, including those governing clearance and points of attachment.
 - b. Whenever any of the clearances required by the applicable laws, ordinances, rules or regulations of public authorities or standards of the Company from the service drops to the ground or any object becomes impaired by reason of any changes made by the owner or tenant of the premises, the Customer will, at his own expense, provide a new and approved support, in a location approved by the Company, for the termination of the Company's service drop wires and will also provide all service entrance conductors and equipment necessitated by the change of location.
 - c. For each overhead service connection, the Customer will furnish, at his own expense, a set of service entrance conductors that will extend from the point of delivery at the point of termination of the Company's service drop on the Customer's support to the Customer's main disconnect switch. These service entrance conductors will be of a type and be in an enclosure which meets with the approval of the Company and any inspection authorities having jurisdiction.
 - d. The cost of any service line footage, in excess of that allowed at no charge, will be paid for by the Customer as set forth in the TEP Statement of Charges and will be treated as a contribution in aid of construction.

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Rules and Regulations



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 6 SERVICE LINES AND ESTABLISHMENTS (continued)

3. Underground Service Connections – Secondary Service

- a. In areas where the Company maintains an underground distribution system, individual services will be underground.
- b. Whenever the Company's underground distribution system is not complete to the point designated by the Company where the service lateral is to be connected to the distribution system, the system may be extended in accordance with Section 7.
- c. For an initial underground service connection of single-phase service, the Company will install a service lateral from its distribution line to the Customer's Company-approved termination facilities under the following conditions (unless otherwise agreed to by the Company and the Applicant):
 - i. The Customer, at his expense, will provide the necessary trenching, conduit, conduit installation, backfill, landscape restoration and paving and will furnish, install, own and maintain termination facilities on or within the building to be served.
- d. The Company, at its expense (up to 500 feet in total), will furnish, install, own, and maintain the underground single-phase service cables to the Customer's Company-approved termination facilities.
- e. The Company will determine the minimum size and type of conduit and conductor for the single-phase service. The Customer will furnish and install the conduit system, including pull ropes. The ownership of this conduit or duct will be conveyed to the Company, and the Company will thereafter maintain this conduit or duct. The maximum length of any service conductor will be determined by the Company in accordance with accepted engineering practice in determining voltage drop, voltage flicker, and other relevant considerations.
- f. The cost of any underground service line footage, in excess of that allowed at no charge, will be paid for by the Customer as set forth in the TEP Statement of Charges and will be treated as a contribution in aid of construction.
- g. For three-phase service, the Customer will also provide, at his expense, all facilities, including conductors and conduit, beyond the Company-designated point of delivery

C. Easements and Rights-of-Way

1. At no cost to the Company, each Customer must grant adequate easements and rights-of-way satisfactory to the Company to ensure that Customer's proper service connection. Failure on the part of the Customer to grant adequate easements and rights-of-way will be grounds for the Company to refuse service.

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73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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Superseding: _____

SECTION 6 SERVICE LINES AND ESTABLISHMENTS (continued)

2. When the Company discovers that a Customer or his agent is performing work, has constructed facilities, or has allowed vegetation to grow adjacent to or within an easement or right-of-way and such work, construction, vegetation or facility poses a hazard or is in violation of federal, state or local laws, ordinances, statutes, rules or regulations, or significantly interferes with the Company's access to equipment, the Company will notify the Customer or his agent and will take whatever actions are necessary to eliminate the hazard, obstruction or violation at the Customer's expense.

D. Number of Services to be Installed

Unless otherwise provided herein, or in a rate schedule or contract, the Company will not install more than one service, either overhead or underground, for any one building or group of buildings on a single premise. Separate services may be installed for separate buildings or group of buildings where necessary for the operating convenience of the Company, where provided for in Rates, or where required by law or local ordinance.

E. Multiple Service Points

Unless otherwise expressly provided herein, or in a rate schedule or contract, any person, firm, corporation, agency or other organization or governmental body receiving service from the Company at more than one location or for more than one separately-operated business will be considered as a separate Customer at each location and for each business. If several buildings are occupied and used by a Customer in the operation of a single business, then the Company, upon proper application, will furnish service for the entire group of buildings through one service connection at one point of delivery, provided all of these buildings are at one location on the same lot or tract, or on adjoining lots or tracts forming a contiguous site (not separated by any public streets) wholly owned, or controlled, and occupied by the Customer in the operation of this single business. Dwelling units will be served, metered and billed separately, except at the option of the Company.

F. Temporary Service

For service that is temporary in nature or for operations of a speculative character or questionable permanency the Customer will be charged the cost of establishing and removing the temporary service.

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Decision No.
Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 7 LINE EXTENSIONS

Introduction

The Company will construct, own, operate and maintain lines along public streets, roads and highways which the Company has the legal right to occupy, and on public lands and private property across which rights-of-way and easements satisfactory to the Company may be obtained without cost to or condemnation by the Company.

A request for electric service often requires the construction of new distribution lines of varying distances. The distances and costs vary widely depending upon Customer's location and load size. With such a wide variation in extension requirements, it is necessary to establish conditions under which the Company will extend its electric facilities.

All extensions (single-phase, three-phase or feeder) are subject to the availability of adequate capacity, voltage and Company facilities at the beginning point of an extension, as determined by the Company.

A standard policy has been adopted to provide service to Customers whose requirements are deemed by the Company to be ordinary in nature.

A. General Requirements

1. Upon an Applicant's request for a line extension, the Company will prepare, without charge, a preliminary electric design and a rough estimate of the cost of installation to be paid by said Applicant.
2. Any Applicant for a line extension requesting the Company to prepare detailed plans, specifications, or cost estimates will be required to deposit with the Company an amount equal to the estimated cost of preparation. The Company will, upon request, make available within ninety (90) days after receipt of the deposit referred to above, these plans, specifications, or cost estimates of the proposed line extension. Where the Applicant authorizes the Company to proceed with construction of the extension, the deposit will be credited to the cost of construction; otherwise the deposit will be nonrefundable. If the extension is to include oversizing of facilities to be done at the Customer's expense, appropriate details will be set forth in the plans, specifications and cost estimates. Subdivision developers providing the Company with approved plats will be provided with plans, specifications, or cost estimates within forty-five (45) days after receipt of the deposit referred to above.
3. The Company will provide a copy of the line extension policy prior to the Applicant's acceptance of the utility's extension agreement.
4. All line extension agreements requiring payment by the Applicant will be in writing and signed by each party.

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Rules and Regulations



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 7 LINE EXTENSIONS (continued)

5. The provisions of this rule apply only to those Applicants who, in the Company's judgment, will be permanent Customers of the Company. Applications for temporary service will be governed by the Company's rules concerning temporary service applications. The Company reserves the right to delay the extension of facilities until the satisfactory completion of required site improvements, as determined by the Company, and an approved service entrance to accept electric service has been installed.

B. Minimum Written Agreement Requirements

1. Each line extension agreement will, at a minimum, include the following information:
 - a. Name and address of Applicant(s);
 - b. Proposed service address or location;
 - c. Description of requested service;
 - d. Description and sketch of the requested line extension;
 - e. A cost estimate which includes a cost break down of materials, labor, and other costs as necessary;
 - f. Payment terms;
 - g. A concise explanation of any refunding provisions, if applicable;
 - h. The Company's estimated commencement and completion dates for construction of the line extension; and
 - i. A summary of the results of the economic feasibility analysis performed by the Company to determine the amount of advance required from the Applicant for the proposed line extension where applicable.
2. Each Applicant will be provided with a copy of the written line extension agreement.

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Decision No.
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July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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Superseding: _____

SECTION 7 LINE EXTENSIONS (continued)

C. Line Extension Requirements

1. Overhead Extensions to Individual Applicants

a. Line Extension Allowance

Upon the Applicant's satisfactory completion of required site improvements, the Company will make extensions from its existing facilities of proper voltage and adequate capacity at the Company's expense up to five hundred (500) feet except where excluded in Section 7.C.1.d. The distance of five hundred (500) feet is to be measured by the shortest feasible route along public streets, roads, highways, or suitable easements from the existing facilities to the Applicant's nearest point of delivery and inclusive of the service drop and is for initial site improvements, as determined by the Company, only.

b. Extensions in Excess of Line Extension Allowance Distance

The Company will make extensions in excess of five hundred (500) feet per Customer upon receipt of a non-interest bearing, refundable cash deposit with the Company to cover costs of construction computed at the rates shown in the TEP Statement of Charges (for voltages up to 14kV) for each foot of single-phase line extension or for each foot of three-phase line extension in excess of the allowance length and in accordance with Subsection 7.C.2.a.v. (unless otherwise agreed to by the Company and the Applicant).

The foregoing charges shown in the TEP Statement of Charges are based on the Company's current average cost of construction of 14kV distribution lines. The Company will review its costs periodically and will file a Rate revision when such costs have changed by more than ten percent (10%) since the last revision of costs. Such revisions will be subject to approval by the Commission before becoming effective.

The Company will install, own and maintain, on an individual project basis, the distribution facilities necessary to provide permanent service.

c. Method of Refund

1. After a period of twelve (12) months from the date the Company is initially ready to render service from an extension, seventy-five percent (75%) of any revenue received from the Customer in excess of the footage allowance during that period will be applied toward refunding the line extension deposit.

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July 1, 2013
73912



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2. Deposit refunds will be made to a depositor when separately metered Customers are served directly from the 14kV line extension originally constructed to serve said depositor, providing the new line extension is less than five hundred (500) feet in distance, and the Customer to be served occupies a permanent structure designed for continued occupancy for either residential or business purposes, meeting established municipal, county or state codes as applicable.

In no event will the total of the refund payments made by the Company to a depositor be in excess of the deposit amount advanced.

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 907-4
Superseding: _____

SECTION 7 LINE EXTENSIONS (continued)

Applicant "A" – Customer makes refundable advance of \$20,530 for footage over 500' at \$20.53/foot.

Applicant "B" – Customer makes refundable advance of \$12,318 for footage over 500' at \$20.53/foot. No refund to A for B's connection because B is over 500'.

Applicant "C" – Customer gets line at no cost. Refund goes to B at $\$20.53 \times 200'$, or \$4,106.00 because C ties directly into B's line and is less than 500'.

Applicant "D" – Customer gets line at no cost. Refund goes to B at $\$20.53 \times 200'$, or \$4,106.00, because it ties directly into B's line and is less than 500'.

Applicant "E" – Customer gets line at no cost. Refund goes to A at $\$20.53 \times 300'$, or \$6,159.00 because E ties directly into A's line and is less than 500'.

Applicant "F" – Customer gets line at no cost. Refund goes to A at $\$20.53 \times 300'$, or \$6,159.00 because F ties directly into A's line and is less than 500'.

Applicant "G" – Customer gets line at no cost. Refund goes to B at $\$20.53 \times 300'$, or \$6,159.00; B receives \$4,106.00 since this is the remaining balance of the initial deposit.

Note: The dollars in the example above are illustrative. This method requires that: a) The deposit advance made for an initial line extension cannot be refunded to the depositor unless a new line extension required to serve a new separately metered Customer is directly connected to the initial line extension; and b) the new line extension is less than 500 feet in length.

- iii. Payment of eligible refunds will be made within ninety (90) days following receipt of notification to the Company that a qualifying permanent Customer has commenced receiving service from an extension.
- iv. A Customer may request an annual survey to determine if additional Customers have been connected to and are using service from the extension.
- v. After a period of six (6) years from the date the Company is initially ready to render service from an extension, the Company will review the deposit and make appropriate refunds then due, if any. Any unrefunded amount remaining thereafter will become the property of the Company and will no longer be eligible for refund and will become a contribution in aid of construction.

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Rules and Regulations



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 7 LINE EXTENSIONS (continued)

d. Extensions to Large General Service and Large Light and Power Customers

- i. For line extensions with voltages less than or equal to 14kV, the Company will install, own and maintain, on an individual project basis, the distribution facilities necessary to provide permanent service to a large general service or large light and power Customer. Prior to the installation of facilities, the Customer will be required to make a cash advance to the Company for any portion of the capital expenditures not justified by the estimated two year revenue of the new facilities. Such advance, if any, will be in the amount determined by subtracting two (2) times the estimated annual revenue from the total estimated installation costs based in the TEP Statement of Charges. If the total of such charge is less than one hundred dollars (\$100.00), the charge will be waived by the Company. Adjustments to the advance will be made after the initial twenty-four (24) month billing period, and the Company will refund to the amount by which the estimated advance exceeds the actual installation cost less the actual twenty-four (24) month billing. In no event shall the total of the refund payments made by the Company to the depositor be in excess of the deposit amount advanced.

500 foot line extension allowance does not apply.

- ii. For line extensions with voltages greater than 14kV and less than or equal to 46kV, the installation costs will be the actual costs of construction. The Company will install, own and maintain, on an individual project basis, the facilities necessary to provide permanent service. Prior to the installation of facilities, the Customer will be required to pay the estimated cost of the construction of the distribution or transmission facilities. Upon completion of construction, the Company will compare the actual cost to the estimated cost and any difference will be either billed or refunded within 60 days to the Customer.

500 foot line extension allowance and adjustments for annual revenues do not apply.

LLP Customers with line voltages greater than 46kV will necessitate a special line extension agreement as required per Subsection 7.C.7.e.

2. Overhead or Underground Distribution Facilities Up to and Within a New Duly Recorded Residential Subdivision

a. General

Required distribution facilities up to and within a new duly recorded residential subdivision, including subdivision plats which are activated subsequent to their recordation, for permanent service to single and/or multi-family residences and/or unmetered area lighting, will be constructed, owned, operated and maintained by the Company in advance of applications for service by permanent Customers only after the Company and the Applicant have entered into a written contract which (unless otherwise agreed to by the Company and the Applicant) provides that:

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July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 907-6
Superseding: _____

SECTION 7 LINE EXTENSIONS (continued)

- i. The total estimated installed cost of such overhead distribution facilities, exclusive of meters, services and exclusive of other costs as may be deemed as reasonable by the Company, will be advanced to the Company as a refundable non-interest bearing cash deposit to cover the Company's cost of construction. In the event that the advance has not met the requirements for total refunding on or before the end of two (2) years from the date of installation of the Company's facilities, the advance will further be utilized for reimbursement of the Company's cost of ownership as provided in Subsection 7.C.2.b. In lieu of the refundable cash deposit, the Applicant may elect to execute a Deferred Construction Deposit Agreement, secured by a bond or letter of credit in a form acceptable to the Company, equal to the deferred cash deposit, which guarantees the posting by the Applicant of the full cash deposit one (1) to six (6) years subsequent to the completion of construction of the Company's facilities. Letters of credit and bonds will not be acceptable where the original cash deposit would be less than one thousand dollars (\$1,000).
- ii. Refundable advances will become non-refundable at such time and in such manner provided in Subsection 7.C.2.b.
- iii. The Applicant will be responsible for ownership costs at such time and in such manner as provided in Subsection 7.C.2.b.
- iv. Where applicable, if distribution facilities must be constructed in excess of an average of five hundred (500) feet per new permanent Customer within a duly recorded residential subdivision, a nonrefundable cash amount equal to that portion of the total estimated installed cost represented by those required line facilities in excess of five hundred (500) feet per Customer average will be paid to the Company.
- v. Underground Installations – Extensions of single-phase underground distribution lines necessary to furnish permanent electric service to new residential buildings or mobile homes within a subdivision, in which facilities for electric service have not been constructed, for which applications are made by a developer will be installed underground in accordance with the provisions set forth in this regulation except where it is not feasible from an engineering, operational, or economic standpoint. Extensions of single-phase underground distribution lines necessary to furnish permanent electric service within a new single family and/or multi-family residential subdivision will be made by the Company in advance of receipt of applications for service by permanent Customers in accordance with the following provisions (unless otherwise agreed to by the Company and the Applicant):
 - 1) The subdivider or other Applicant will provide and install all of the required underground duct system (including all or a portion of the necessary trenching, backfilling, conduits, ducts, transformer and equipment pads, manholes, and pull boxes) in accordance with the Company's specifications and subject to the Company's inspection and approval. Upon acceptance and approval by the Company, the Applicant will grant to the Company the exclusive right to use and occupy said duct system or, at the option of the Company, will transfer ownership thereof to the Company.

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Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 907-7
Superseding: _____

SECTION 7 LINE EXTENSIONS (continued)

- 2) Underground service will be installed, owned, operated and maintained as provided in Section 6 of these Rules and Regulations.
- 3) Any underground electric distribution system requiring more than single-phase service is not governed by this Subsection 7.C.2, but rather will be constructed pursuant to Subsection 7.C.4.
- vi. Underground extensions up to the duly recorded Subdivision will be owned, operated and maintained by the Company, provided the Applicant pays a non-refundable sum equal to the estimated difference between the cost of the underground extension and an equivalent overhead extension at the rate indicated by the Underground Differential on Schedule 18.
- b. Method of Refund
 - i. For Line Extensions Within A New Duly Recorded Residential Subdivision ("Subdivision Agreements")

On or after two (2) years subsequent to the installation of the Company's facilities, and thereafter every six (6) months, the Company will review the status of a subdivision to determine the percentage ratio that the number of lots or service locations occupied by permanent Customers bears to the number of lots identified in each Subdivision Agreement specified as the basis for refund. Refunds will be made prior to the actual occupancy by a permanent Customer if the lot or service location has been substantially completed so that in the judgment of the Company permanent occupancy will occur within a reasonable time. Such periodic review will continue until either: i) the calculated ratio equals a maximum of seventy-five percent (75%) at which time the total refund will be made to the Applicant; or ii) a six (6) year period subsequent to the completion of installation of the Company's facilities elapses. For purposes of computation of all charges and refundable deposit requirements under these Rules and Regulations, the installation of the Company's facilities will be that date upon which the construction is determined to be completed and the facilities are entered into the Company records of Plant and Property. The ratio determined at the time of each review multiplied by the total refundable advance associated with the line extension agreement, less applicable cost of ownership charges previously deducted, if any, will represent that portion of the advance qualified for refund. If the foregoing calculation indicates a refund is due, an appropriate refund of cash deposit, or reduction of the cash deposit requirement at the end of the deferral period in those cases where a Deferred Construction Deposit Agreement has been executed, will be made.

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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 7 LINE EXTENSIONS (continued)

Refunds of cash deposits, less applicable cost of ownership charges, if any, will also be made by the Company within ninety (90) days following receipt of written notice from the developer requesting payment of earned refund. Furthermore, if at any time a maximum of seventy-five percent (75%) or more of the total refundable advance qualifies for refund, any balance of the advance remaining, after applicable cost of ownership charges, if any, have been deducted, will be refunded. No payment will be made by the Company in excess of the total refundable advance less applicable cost of ownership charges, if any, nor after a period of six (6) years subsequent to the completion of construction of the Company's facilities. Any un-refunded amount remaining at the end of the six (6) year period will become the property of the Company and a nonrefundable contribution in aid of construction.

- ii. For Line Extensions To The Perimeter of New Duly Recorded Residential Subdivisions ("Feeder Agreements")

On or after two (2) years subsequent to the installation of the Company's facilities, and thereafter every six (6) months, the Company will review the status of Customers added as a result of the extension and within connected subdivisions in excess of the Customer level identified in each subdivision's agreement to determine the percentage that the number of lots or service locations occupied by permanent Customers bears to the number of lots identified in the Feeder Agreement specified as the basis for refund. Refunds will be made prior to the actual occupancy by a permanent Customer if the lot or service location has been substantially completed so that in the judgment of the Company permanent occupancy will occur within a reasonable time. Such periodic review will continue until either: i) the calculated ratio equals the level identified in the Feeder Agreement at which time the total refund will be made to the Applicant; or ii) a six (6) year period subsequent to the completion of installation of the Company's facilities elapses. For purposes of computation of all charges and refundable deposit requirements under these Rules and Regulations, the installation of the Company's facilities will be that date upon which the construction is determined to be completed and the facilities are entered into the Company records of Plant and Property. The ratio determined at the time of each review multiplied by the total refundable advance associated with the line extension agreement, less applicable cost of ownership charges previously deducted, if any, will represent that portion of the advance qualified for refund. If the foregoing calculation indicates a refund is due, an appropriate refund of cash deposit, or reduction of the cash deposit requirement at the end of the deferral period in those cases where a Deferred Construction Deposit Agreement has been executed, will be made.

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Rules and Regulations



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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Superseding: _____

SECTION 7 LINE EXTENSIONS (continued)

Refunds of cash deposits, less applicable cost of ownership charges, if any, will also be made by the Company within ninety (90) days following receipt of written notice from the developer requesting payment of earned refund. Furthermore, if at any time a maximum of seventy-five percent (75%) or more of the total refundable advance qualifies for refund, any balance of the advance remaining, after applicable cost of ownership charges, if any, have been deducted, will be refunded. No payment will be made of the Company in excess of the total refundable advance less applicable cost of ownership charges, if any, nor after a period of six (6) years subsequent to the completion of construction of the Company's facilities. Any unrefunded amount remaining at the end of the six (6) year period will become the property of the Company and will be treated as a nonrefundable contribution in aid of construction.

- iii. In the event that any portion of an advance has not qualified for refund at the time of each review, the developer will be responsible for the Company's cost of ownership charges based on the average (mean) of the electric facilities represented by:
- 1) that portion of the advance not qualified for refund at the time of current review, and
 - 2) that portion of the advance not qualified for refund at the time of the last periodic review.

When the advance is in the form of a cash deposit, the semi-annual cost of ownership charges will be equal to the average of (i) and (ii) above multiplied by five and one-half percent (5-1/2%). When the advance is in the form of a Deferred Construction Deposit, the semi-annual cost of ownership charges will be equal to (i) and (ii) above multiplied by the sum of five and one-half percent (5-1/2%) plus one-half of the original cost equivalent of the rate of return, expressed as a percent, last allowed to the Company by the Commission. Payment of such cost of ownership charges, which will be computed and paid at the time of each review after the initial review, will be made in the following manner:

When the advance is in the form of a cash deposit, a deduction of cost of ownership charge will be made by the Company from the cash deposit.

When the advance is in the form of a Deferred Construction Deposit, the Company will bill and developer will pay to Company said cost of ownership charge. In the event that the Applicant fails to pay the cost of ownership charge when due, the Company will exercise its rights provided for in the Deferred Construction Deposit, and will call the bond or letter of credit.

The portion of the original advance on which cost of ownership charges are computed will not be reduced for purposes of that computation by amounts deducted previously for cost of ownership charges.

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Decision No.
Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 907-10
Superseding: _____

SECTION 7 LINE EXTENSIONS (continued)

3. Underground Extensions to Individual Applicants

a. General

Underground line extensions will generally be made only where mutually agreed upon by the Company and the Applicant, or in areas where the Company does maintain underground distribution facilities for its operating convenience.

- i. Underground extensions will be owned, operated and maintained by the Company, provided the Applicant pays in advance a non-refundable sum equal to the estimated difference between the cost, exclusive of meters and services, of the underground extension and an equivalent overhead extension at the rate indicated by the Underground Differential in the TEP Statement of Charges (for voltages up to 14kV).
- ii. In addition to the non-refundable sum, the Applicant will (unless otherwise agreed to by the Company and the Applicant) make such refundable deposit as shown in the TEP Statement of Charges (for voltages up to 14kV) and in accordance with Subsection 7.C as otherwise would have been required under these Rules and Regulations if the extension had been made by overhead construction.
- iii. The Applicant will provide and install all of the required underground duct system (including all or a portion of the necessary trenching, backfilling, conduits, ducts, transformer and equipment pads, manholes, and pull boxes) in accordance with the Company's specifications and subject to the Company's inspection and approval. Upon acceptance and approval by the Company, the Applicant will grant to the Company the exclusive right to use and occupy said duct system or, at the option of the Company, will transfer ownership thereof to the Company.
- iv. Refunds of cash deposits will be made in the same manner as provided for overhead extensions to individual Applicants for service, in accordance with the applicable provisions of Subsection 7.C.
- v. Underground services will be installed, owned, operated and maintained as provided in Section 6 of these Rules and Regulations.

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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 7 LINE EXTENSIONS (continued)

4. Replacement of Overhead with Underground Distribution Facilities

Where a Customer has requested that existing overhead distribution facilities be replaced with underground distribution facilities, the total cost of such replacement will be paid by the Customer.

5. Conversion from Single-Phase to Three-Phase Service

Where it is necessary to convert all or any portion of an existing underground distribution system from single-phase to three-phase service to a Customer, the total cost of such conversion will be paid by the Customer.

6. Long Term Rental Mobile Home Park, Townhouses, Condominiums and Apartment Complexes

Line extensions to long term rental mobile home parks, townhouses, condominiums and apartment complexes will be made by the Company under terms and conditions provided in Subsection 7.C.1. The Company will, when requested by the Customer, install, own and maintain internal distribution facilities and individual metering for said development in accordance with the provisions pertaining to duly recorded real estate subdivisions as stated in Subsection 7.C.2 hereof.

7. Special Conditions

a. Contracts

Each sub divider or other Applicant for service requesting an extension over the allowable footage allowance, or in advance of applications for service to permanent Customers, or in advance of completion of required site improvements will (unless otherwise agreed to by the Company and the Applicant) be required to execute contracts covering the terms under which the Company will install lines at its own expense, or contracts covering line extensions for which advance deposits will (unless otherwise agreed to by the Company and the Applicant) be made in accordance with the provisions of these Rules and Regulations or of the applicable rate schedules.

b. Primary Service and Metering

The Company will provide primary service to a point of delivery, such point of delivery to be determined by the Company. The Customer will provide the entire distribution system (including transformers) from the point of delivery to the load. The system will be treated as primary service for the purposes of billing. The Company reserves the right to approve or require modification to the Customer's distribution system prior to installation, and the Company will determine the voltage available for primary service. Instrument transformers, metering riser poles and associated equipment to be installed and maintained by the Company will be at the Customer's expense.

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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 7 LINE EXTENSIONS (continued)

c. Advances under Previous Rules and Contracts

Amounts advanced under the conditions established by a rule previously in effect will be refunded in accordance with the requirements of such contract under which the advance was made.

d. Extensions for Temporary Service

Extensions for temporary service or for operations of a speculative character or questionable permanency will be charged the applicable estimated charges for the installation and removal of temporary facilities. Temporary facilities will remain in service for a maximum of two (2) years.

e. Exceptional Cases

Where unusual terrain, location, soil conditions, or other unusual circumstances make the application of these line extension rules impractical or unjust to either party or in the case of extension of lines of other than standard distribution voltage, service under such circumstances will be negotiated under special agreements specifying terms and conditions covering such extensions.

f. Special or Excess Facilities

Under this rule, the Company will install only those facilities which it deems are necessary to render service in accordance with the rate schedules. Where the Customer requests facilities which are in addition to, or in substitution for, the standard facilities which the Company normally would install, the extra cost thereof will be paid by the Customer.

g. Unusual Loads

Line extensions to unusually small loads not consisting of a residence or permanent building (e.g. individual lights, wells, signs, etc.) will not be granted the five hundred (500) foot allowance but will instead be required to advance any costs of service in excess of their estimated two years annual revenue. Refunding will be according to Subsections 7.C.1.c and 7.C.3.a.iv.

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SECTION 7 LINE EXTENSIONS (continued)

D. Construction / Facilities Related Income Taxes

1. Collection of Income Tax Gross Up

- a. Any federal, state or local income taxes resulting from the receipt of a contribution or advance in aid of construction in compliance with this rule is the responsibility of the Company and will be recorded as a deferred tax asset and reflected in the Company's rate base for ratemaking purposes.
- b. However, if the estimated contribution or advance for any service line or distribution main extension (as determined for each individual extension agreement) exceeds \$500,000, the Company may require the Applicant to include in the contribution, advance or deferred construction deposit agreement an amount (the "gross up amount") equal to the estimated federal, state or local income tax liability of the Company resulting from the contribution or advance computed as follows:

$$\text{Gross Up Amount} = \frac{\text{Advance or Contribution}}{(1 - \text{Statutory combined income tax rate})} - \text{Advance or Contribution}$$

- c. After the Company's tax returns for the year of receipt of the advance or contribution are completed, if the statutory combined income tax rate is less than the rate used to calculate the gross-up, the Company shall refund to the Applicant an amount equal to such excess.
- d. When a gross-up amount is to be collected in connection with an extension agreement, the contract will state the tax rate used to compute the gross up amount, and will also disclose the gross-up amount separately from the estimated cost of facilities.

2. Refund of Income Tax Gross Up

- a. In the case of construction advance refunds made pursuant to Subsection 7.C.1.d (Large Light & Power Extensions), a pro rata portion of the gross up will be refunded when the amount of the underlying contribution is refunded. Any remaining gross-up will be refunded on November 1 of each year as tax depreciation deductions are taken on the Company's tax returns. At the end of five years from installation, the remaining gross up will be refunded at an amount that reflects the net present value of the Company's remaining tax depreciation deductions on the underlying advance discounted at the Company's authorized rate of return.
- b. In the case of all other advances or deferred construction deposit agreements, the gross up will be refunded, or the amount of required deferred construction deposit will be reduced, as follows:

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73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 7 LINE EXTENSIONS (continued)

- i. If the full amount of the advance is refunded prior to September 30th of the year following the year in which the advance is received, the entire amount of the gross-up will be refunded.
- ii. For any amount of the advance not refunded as of September 30th of the year following the year in which the advance is received, on November 1st of each year a portion of the gross-up will be refunded based on the amount of the tax depreciation deductions taken by the Company on its federal and state income tax returns.
- iii. When any advance is refunded after depreciation refunds pursuant to clause ii have begun, a pro rata portion of the gross up will be refunded reduced by the amount of depreciation refunds previously made for that portion of the gross up.
- iv. For any advance that is not refunded at the end of the contract period, the remaining gross up will be refunded at an amount that reflects the net present value of the Company's remaining tax depreciation deductions on the underlying advance discounted at the Company's authorized rate of return.

3. Non-refundable Income Tax Gross Up

- a. At the option of the Customer, a non-refundable gross-up may be calculated as follows:

$$\text{Non-refundable Gross Up Amount} = \frac{(\text{Contribution Amount} - \text{Present Value of Tax Depreciation})}{(1 - \text{Current Tax Rate})} - \text{Contribution Amount}$$

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SECTION 8 PROVISION OF SERVICE

A. Company Responsibility

1. The Company will be responsible for the safe transmission and distribution of electricity until it passes the point of delivery to the Customer.
2. The Company will be responsible for maintaining in safe operating condition all meters, equipment and fixtures installed on the Customer's premises by the Company for the purpose of delivering electric service to the Customer. The Company, however, will not be responsible for the condition of meters, equipment, and fixtures damaged or altered by the Customer.
3. The Company may, at its option, refuse service until the Customer has obtained all required permits and/or inspections indicating that the Customer's facilities comply with local construction and safety standards, including any applicable Company specifications.
4. The Company will determine, in its sole discretion, the type of service (including voltage and Point of Delivery) to be furnished for utilization by the Customer. This includes determinations involving (1) requirements to take Primary Service and Metering and (2) service voltage (including for any new on-site generation installations or generation retrofits at the Customer's premises).

B. Customer Responsibility

1. Each Customer will be responsible for maintaining in safe operating condition all Customer facilities on the Customer's side of the point of delivery.
2. Each Customer will be responsible for safeguarding all Company property installed in or on the Customer's premises for the purpose of supplying utility service to that Customer.
3. Each Customer will exercise all reasonable care to prevent loss or damage to Company property, excluding ordinary wear and tear. The Customer will be responsible for loss of or damage to, Company property on the Customer's premises arising from neglect, carelessness, misuse, diversion or tampering and will reimburse the Company for the cost of necessary repairs or replacements.
4. Each Customer, regardless of who owns the meter, will be responsible for payment for any equipment damage and/or estimated unmetered usage and all reasonable costs of investigation resulting from unauthorized breaking of seals, interfering, tampering or bypassing the utility meter.
5. Each Customer will be responsible for notifying the Company of any equipment failure identified in the Company's equipment.

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SECTION 8 PROVISION OF SERVICE (continued)

6. The Customer will be responsible for informing the Company of, and meeting the Company's requirements regarding, on-site or distributed generation (including distributed renewable resources and combined heat and power facilities) that the Customer or its agent intends to interconnect to the Company's transmission or distribution system. This includes compliance with all requirements contained within the Company's most current Interconnection Requirements for Distributed Generation, and the terms and conditions of the Company's Agreement for the Interconnection of Customer's Facility. Customer must also agree to enter into the Interconnection Agreement with the Company. Further, any interconnection must be in accordance with any applicable Commission regulation and order governing interconnection, as well as applicable laws.
7. The Customer, at his expense, may install, maintain and operate check-measuring equipment as desired and of a type approved by the Company, provided that such equipment will be installed so as not to interfere with operation of the Company's equipment, and provided that no electric energy will be re-metered or sub-metered for resale to another or to others, except where such re-metering will be done in accordance with the applicable orders of the Commission.

C. Continuity of Service

The Company will make reasonable efforts to supply a satisfactory and continuous level of service. However, the Company will not be responsible for any damage or claim of damage attributable to any interruption or discontinuation of service resulting from:

1. Any cause against which the Company could not have reasonably foreseen or made provision for (i.e., force majeure);
2. Intentional service interruptions to make repairs or perform routine maintenance; or
3. Curtailment, including brownouts or blackouts.

D. Service Interruptions

1. The Company will make reasonable efforts to reestablish service within the shortest possible time when service interruptions occur.
2. When the Company plans to interrupt service for more than four (4) hours to perform necessary repairs or maintenance, the Company will attempt to inform affected Customers at least twenty-four (24) hours in advance of the scheduled date, and these repairs will be completed in the shortest possible time to minimize the inconvenience to the Customers of the Company.

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July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 908-2
Superseding: _____

SECTION 8 PROVISION OF SERVICE (continued)

3. In the event of a national emergency or local disaster resulting in disruption of normal service, the Company may, in the public interest, interrupt service to other Customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.
4. The Commission will be notified of interruption in service affecting the entire system or any major division thereof. The interruption of service and cause will be reported by telephone to the Commission within four (4) hours after the responsible representative of the Company becomes aware of said interruption. A written report to the Commission will follow.

E. Interruption of Service and Force Majeure

1. The Company will make reasonable provision to supply a satisfactory and continuous electric service, but does not guarantee a constant or uninterrupted supply of electricity. The Company will not be liable for any damage or claim of damage attributable to any temporary, partial or complete interruption or discontinuance of electric service attributable to a force majeure condition as set forth at Subsections 8.E.4. and 8.E.5. or to any other cause which the Company could not have reasonably foreseen and made provision against, or which, in the Company's judgment, is necessary to permit repairs or changes to be made in the Company's electric generating, transmission or distribution equipment or to eliminate the possibility of damage to the Company's property or to the person or property of others.
2. Whenever the Company deems that a condition exists to warrant interruption or limitation in the service being rendered, this interruption or limitation will not constitute a breach of contract and will not render the Company liable for damages suffered thereby or excuse the Customer from further fulfillment of the contract.
3. The use of electric energy upon the premises of the Customer is at the risk of the Customer. The Company's liability will cease at the point where its facilities are connected to the Customer's wiring.
4. Neither the Company nor the Customer will be liable to the other for any act, omission or circumstances (including, with respect to the Company, but not limited to, inability to provide service) occasioned by or in consequence of the following:
 - a. flood, rain, wind, storm, lightning, earthquake, fire, landslide, washout or other acts of the elements;
 - b. accident or explosion;
 - c. war, rebellion, civil disturbance, mobs, riot, blockade or other act of the public enemy;
 - d. acts of God;
 - e. interference of civil and/or military authorities;
 - f. strikes, lockouts or other labor difficulties;
 - g. vandalism, sabotage or malicious mischief;

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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 908-3
Superseding: _____

SECTION 8 PROVISION OF SERVICE (continued)

- h. usurpation of power, or the laws, rules, regulations or orders made or adopted by any regulatory or other governmental agency or body (federal, state or local) having jurisdiction of any of the business or affairs of the Company or the Customer, direct or indirect;
 - i. breakage or accidents to equipment or facilities;
 - j. lack, limitation or loss of electrical or fuel supply; or
 - k. any other casualty or cause beyond the reasonable control of the Company or the Customer, whether or not specifically provided herein and without limitation to the types enumerated, and which by the exercise of due diligence such party is unable to prevent or overcome.
5. A failure to settle or prevent any strike or other controversy with employees or with anyone purporting or seeking to represent employees will not be considered to be a matter within the control of the Company.
6. Nothing contained in this Section will excuse the Customer from the obligation of paying for electricity delivered or services rendered.

F. General Liability

- 1. The Company will not be responsible for any third-party claims against the Company that arise from Customer's use of the Company's electricity.
- 2. Customer will indemnify, defend and hold harmless the Company (including the costs of reasonable attorney's fees) against all claims (including, without limitation, claims for damages to any business or property, or injury to, or death of, any person) arising out of any act or omission of the Customer, or the Customer's agents, in connection with the Company's service or facilities.
- 3. The liability of the Company for damages of any nature arising from errors, mistakes, omissions, interruptions, or delays of the Company, its agents, servants, or employees, in the course of establishing, furnishing, rearranging, moving, terminating, or changing the service or facilities or equipment will not exceed an amount equal to the charges applicable under the Company's Rates (calculated on a proportionate basis where appropriate) to the period during which the error, mistake, omission, interruption or delay occurs.
- 4. In no event will the Company be liable for any incidental, indirect, special, or consequential damages (including lost revenue or profits) of any kind whatsoever regardless of the cause or foreseeability thereof.
- 5. The Company will not be responsible in an occasion for any loss or damage caused by the negligence or wrongful act of the Customer or any of his agents, employees or licensees in installing, maintaining, using, operating or interfering with any electric facilities.

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Decision No. 73912
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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 908-4
Superseding: _____

SECTION 8 PROVISION OF SERVICE (continued)

G. Construction Standards and Safety

The Company will construct all facilities in accordance with the provision of the ANSI C2 Standards (National Electric Safety Code, 2007 edition, and other amended editions as are adopted by the Commission), the 2007 ANSI B.31.1 Standards, the ASME Boiler and Pressure Vessel Code, and other applicable American National Standards Institute Codes and Standards, except for such changes as may be made or permitted by the Commission from time to time. In the case of conflict between codes and standards, the more rigid code or standard will apply.

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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 9

CHARACTER OF SERVICE – VOLTAGE, FREQUENCY AND PHASE

- A. Electric energy furnished under these Rules and Regulations will be alternating current, sixty (60) hertz single or three-phase, at the standard, nominal voltages specified by the Company. The following nominal voltages are available on the Company's system:
1. Residential Customers: 120/240 volts single-phase
 2. General Service or Light and Power Customers:
 - a. Single-Phase: 120/240 volts (all areas)
 - b. Three-Phase:
 - i. 120/240 volts 4 wire delta (from overhead system only and not for new service, upgrades only)*
 - ii. 240/480 volts 4 wire delta (from overhead system only)*
 - iii. 120/208 volts 4 wire wye
 - iv. 277/480 volts 4 wire wye
- * This may be available in some existing underground areas.
- B. The primary voltage supplied will depend on the Customer's load and the system voltage available at that location; it will be specified by the Company. Normally, this will be one of the following nominal distribution or sub-transmission voltages: 7970/13800 volts 4 wire wye, or 46,000 volts 3 wire delta. The actual standard nominal voltages available to a specific Customer will depend on location, load, and type of system in the area and will be specified by the Company.
- C. A Customer must meet certain minimum load requirements in order to qualify for three-phase service under Section 7 and within the Electrical Service Requirements.
- D. The Company does not guarantee the constancy of its voltage or frequency, nor does it guarantee against its loss of one or more phases in a three-phase service. The Company will not be responsible for any damage to the Customer's equipment caused by any or all of these occurrences brought about by circumstances beyond its control.

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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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Superseding: _____

SECTION 9

CHARACTER OF SERVICE - VOLTAGE, FREQUENCY AND PHASE (continued)

E. Motor Protection

The following protective apparatus, to be provided by the Customer, is required on all motor installations:

1. No-Voltage Protection: Motors that cannot be safely subjected to full voltage at starting must be provided with a device to insure that upon failure of voltage, the motors will be disconnected from the line. Said device should be provided with a suitable time delay relay.
2. Overload Protection: All motors whose voltage does not exceed 750 volts are to be provided with approved fuses of proper rating. Where the voltage exceeds 750 volts, protective devices are to be provided. In these cases it will be found desirable to install standard switching equipment. The installation of overload relays and no-voltage releases is recommended on all motors, not only as additional protection, but as a means of reducing the cost of refusing.
3. Phase Reversal: Reverse phase relays and circuit breakers or equivalent devices are recommended on all polyphase installations to protect the installation in case of phase reversal or loss of one phase.

F. Load Fluctuation and Balance

1. Interference with Service: The Company reserves the right to refuse to supply loads of a character that may seriously impair service to any other Customers. In the case of hoist or elevator motors, welding machines, furnaces and other installations of like character where the use of electricity is intermittent or subject to violent fluctuations, the Company may require the Customer to provide at the Customer's own expense suitable equipment to reasonably limit those fluctuations.
2. The Company has the right to discontinue electric service to any Customer who continues to use appliances or other devices, equipment and apparatus detrimental to the service after the Company notifies the Customer of his or her causing detriment to the service.
3. Allowable Instantaneous Starting Current Values: The instantaneous starting current (determined by tests or based on limits guaranteed by manufacturers) drawn from the line by any motor must not exceed a value (as determined by the Company) that may be deemed detrimental to the normal operation of the system. If the starting current of the motor exceeds that value, a starter must be used or other means employed to limit the current to the value specified. A reduced voltage starter may be required for polyphase motors.
4. When three-phase service supplied under a power rate includes incidental lighting, the Customer will supply any necessary lighting transformers and arrange its lighting to give a substantially balanced three-phase load.

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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 9
CHARACTER OF SERVICE – VOLTAGE, FREQUENCY AND PHASE
(continued)

G. Customer Responsibility for Equipment Used in Receiving Electric Energy

No statement or requirement in these Rules and Regulations can be construed as the assumption of any liability by the Company for any wiring of electrical equipment or the operation of same, installed in, upon, or about the Customer's premises, nor will the Company be responsible for any loss or damage occasioned or caused by the negligence, want of proper care or wrongful act of the Customer, or any of the Customer's agents or employees or licenses on the part of the Customer in installing, maintaining, using, operating, or interfering with any such wiring, machinery or apparatus.

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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 10 METER READING

A. Company or Customer Meter Reading

1. The Company may, at its discretion, allow for Customer reading of meters.
2. It will be the responsibility of the Company to inform the Customer how to properly read his or her meter.
3. Where a Customer reads his or her own meter, the Company will read the Customer's meter at least once every four (4) months.
4. Where the Company must read the meter every four (4) months, the Customer shall pay Fee No. 3 as set forth in the TEP Statement of Charges for every read.
5. The Company will provide the Customer with postage-paid cards or other methods to report the monthly reading to the Company.
6. The Company will specify the timing requirements for the Customer to submit his or her monthly meter reading to conform to the Company's billing cycle.
7. Meter readings will be scheduled for periods of not less than twenty-five (25) days or more than thirty-five (35) days. In the event the Customer fails to submit a reading within this ten (10) day period, the Company may issue the Customer an estimated bill.
8. In the event the Customer fails to submit monthly reads as designated above, the Company may estimate the usage for up to three (3) months.
9. The Company and the Customer shall mutually agree on a method to submit meter reads.
10. Where the Customer is providing their own meter reads, the Customer is responsible for all applicable charges as calculated from the point the Company last read the Customer's meter.
11. Meters will be read monthly on as close to the same day as practical.

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SECTION 10 METER READING (continued)

B. Measuring of Service

1. All energy sold to Customers and all energy consumed by the Company, except that sold according to fixed charge schedules, will be measured by commercially acceptable measuring devices owned and maintained by the Company. This Subsection will not apply where it is impractical to install meters, such as street lighting or security lighting, or where otherwise authorized by the Commission.
2. When there is more than one meter at a location, the metering equipment will be so tagged or plainly marked as to indicate the circuit metered or metering equipment in accordance with Subsection 3.C.8.
3. Meters which are not direct reading will have the multiplier plainly marked on the meter.
4. All charts taken from recording meters will be marked with the date of the record, the meter number, Customer, and chart multiplier.
5. Metering equipment will not be set "fast" or "slow" to compensate for supply transformer or line losses.

C. Customer Requested Rereads

1. The Company will, at the request of a Customer, reread that Customer's meter within ten (10) business days after the request by the Customer.
2. Any reread may be charged to the Customer at a rate set forth in the TEP Statement of Charges, if the original reading was not in error.
3. When a reading is found to be in error, the Company will not charge the Customer for the reread.

D. Access to Customer Premises

At all times, the Company will have the right of safe ingress to and egress from the Customer's premises at all reasonable hours for any purpose reasonably connected with the Company's property used in furnishing service and the exercise of any and all rights secured to it by law or these rules.

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Tucson Electric Power

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SECTION 10 METER READING (continued)

E. Meter Testing and Maintenance Program

1. The Company will replace any meter found to be damaged or associated with an inquiry into its accuracy, whether initiated by the Customer or Company, and which has been in service for more than sixteen (16) years. Replaced meters will be tested for accuracy and will be acceptable if found to have an error margin within plus or minus three percent ($\pm 3\%$).
2. The Company will file an annual report with the Commission summarizing the results of the meter maintenance and testing program for that year. At a minimum, the report should include the following data:
 - a. Total number of meters tested at Company initiative or upon Customer request; and
 - b. Number of meters tested which were outside the acceptable error allowance of $\pm 3\%$.

F. Customer Requested Meter Tests

The Company will test a meter upon Customer request and the Company will be authorized to charge the Customer for the meter test. The charge for the meter test is set forth in the TEP Statement of Charges. However, if the meter is found to be in error by more than three percent (3%), then no meter testing fee will be charged to the Customer.

G. Demands

1. The Customer's demand may be measured by a demand meter, under all rate schedules involving billings based on demand, unless appropriate investigation or tests indicate that the Customer's demand will not be such as to require a demand meter for correct application of the rate schedule. In cases where billings under a rate schedule requiring determination of the Customer's demand must be made before a demand meter can be installed, such billings may be made on an estimated demand basis pending installation of the demand meter; provided, however, that billings made on the basis of estimated demands will be appropriately adjusted, if indicated to be greater or less than the actual demands recorded after the demand meter is installed.
2. Demand meters may be installed at any metering location if the nature of the Customer's equipment and operation is such as to indicate that a demand meter is required for correct application of the rate schedule.
3. All demands used for billing purposes will be recorded, or computed to the nearest whole kW.

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Rules and Regulations



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 11 BILLING AND COLLECTION

A. Frequency and Estimated Bills

1. The Company will bill monthly for services rendered. Meter readings will be scheduled for periods of not less than twenty-five (25) days or more than thirty-five (35) days.
2. If the Company is unable to obtain the meter read on the scheduled meter read date, the Company will estimate the consumption for the billing period as set forth in the Company's Bill Estimation Methodologies Tariff.
3. After the second consecutive month of estimating the Customer's bill, the Company will attempt to secure an accurate reading of the meter.
4. Failure on the part of the Customer to comply with a reasonable request by the Company for access to its meter may lead to the discontinuance of service.
5. Estimated bills will be issued only under the following conditions:
 - a. Failure of a Customer who read his own meter to deliver his meter reading card to the Company, in accordance with the requirements of the Company billing cycle.
 - b. Severe weather conditions, emergencies or work stoppages that prevent the Company from reading the meter.
 - c. Circumstances that make it dangerous or impossible to read the meter, including locked gates, blocked meters, vicious or dangerous animals, or any force majeure condition as listed in Subsections 8.E.4 and 8.E.5.
 - d. When an electronic meter reading is obtained, but the data cannot be transferred to a Customer Information System.
 - e. A meter failure or malfunction with no reliable information retained by the meter.
 - f. Meter tampering or energy diversion results in a lack of accurate metered consumption information.
 - g. In the event the Customer fails to submit the reading within the designated ten (10) day meter reading window.
 - h. In the event the Customer fails to submit monthly reads as designated above, the Company may estimate the usage for up to three (3) months.
6. Each bill based on estimated usage will indicate that it is an estimated bill.
7. Estimates due to equipment malfunctions may exceed one month if the malfunction could not be reasonably discovered and/or corrected before additional bills were estimated.
8. A bill is not considered an estimated bill when the end read is based on an actual read.

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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 11 BILLING AND COLLECTION (continued)

B. Combining Meters, Minimum Bill Information

1. Each meter at a Customer's premises will be considered separately for billing purposes, and the readings of two (2) or more meters will not be combined unless otherwise provided for in the Company's Rates.
2. Each bill for residential service will contain the following minimum information:
 - a. Date and meter reading at the start of billing period or number of days in the billing period;
 - b. Date and meter reading at the end of the billing period;
 - c. Billed usage and demand (if applicable);
 - d. Rate schedule number;
 - e. Company telephone number;
 - f. Customer's name;
 - g. Service account number;
 - h. Amount due and due date;
 - i. Past due amount;
 - j. Adjustment clause costs, where applicable;
 - k. All applicable taxes; and
 - l. The address for the Arizona Corporation Commission.

C. Billing Terms

1. All bills for the Company's services are due and payable no later than ten (10) days from the date the bill is rendered. Any payment not received within this time frame will be considered past due.
2. For purposes of this rule, the date a bill is rendered may be evidenced by:
 - a. The postmark date for bills sent via U.S. Postal Service; or
 - b. The mailing date; or
 - c. The billing date shown on the bill. However, the billing date will not differ from the postmark or mailing date by more than two (2) days.
 - d. An Electronic Bill will be considered rendered at the time it is electronically sent to the Customer.

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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 11 BILLING AND COLLECTION (continued)

3. All past due bills for the Company's services are due and payable within fifteen (15) days. Any payment not received within this time frame will be considered delinquent and will incur a late payment finance charge.
 4. All delinquent bills for which payment has not been received within five (5) days will be subject to the provisions of the Company's termination procedures.
 5. All payments of current amounts may be made at or sent via U.S. Postal Service to the office of the Company or to the Company's duly authorized representative.
 6. A bill will be rendered in a form prescribed by the Company. If the Customer requests a bill in a form other than the one prescribed by the Company, the Company in its sole discretion may consider such request and charge the Customer any associated costs.
- D. Applicable Rates, Time-of-Use Meters, Prepayment, Failure to Receive, Commencement Date, Taxes
1. Each Customer will be billed under the applicable Rate indicated in the Customer's application for service.
 2. For a Customer taking service under a TEP Time-of-Use ("TOU") rate, the Company may charge a fee based on the incremental cost of a TOU meter versus a non-TOU meter.
 3. Customers may pay for electrical service by making advance payments.
 4. Failure to receive bills or notices which have been properly placed in the U.S. Postal Service or posted electronically will not prevent those bills from becoming delinquent nor relieve the Customer of his obligations therein.
 5. Charges for service commence when the service is installed and connection made, whether used or not.
- E. Billing and Meter Error Corrections
1. If, after testing, any meter is found to be more than three percent (3%) in error, either fast or slow, proper correction between three percent (3%) and the amount of the error will be made to previous readings and adjusted bills will be rendered according to the following terms:
 - a. For the period of three (3) months immediately preceding the removal of such meter from service for test or from the time the meter was in service since last tested, but not exceeding three (3) months since the meter will have been shown to be in error by such test.
 - b. From the date the error occurred, if the date of the cause can be definitely fixed.
 2. No adjustment will be made by the Company except to the Customer last served by the meter tested.

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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 11 BILLING AND COLLECTION (continued)

F. Responsibility for Payment of Bills

1. The Customer is responsible for the payment of bills until service is ordered discontinued and the Company has had reasonable time to secure a final meter reading for those services involving energy usage, or if non-metered services are involved until the Company has had reasonable time to process the disconnect request.
2. When an error is found to exist in the billing rendered to the Customer, the Company may correct such an error to recover or refund the difference between the original billing and the correct billing. The TEP Bill Estimation Methodologies tariff shall be applied when the Company cannot obtain a complete and valid meter read. Situations that result in an estimated meter read include inclement weather, lack of access to a Customer's meter, energy diversion, labor unavailability and equipment malfunction.
3. Except as specified below, corrected charges for underbillings shall be limited to three (3) months for residential accounts and six (6) months for non-residential accounts.
 - a. Where the account is billed on a special contract or non-metered rate, corrected charges for underbillings shall be billed in accordance with the contract or rate requirements and is not limited to three (3) or six (6) months as applicable.
 - b. Where service has been established but no bills have been rendered, corrected charges for underbillings shall go back to the date service was established.
 - c. Where there is evidence of meter tampering or energy diversion, corrected charges for underbillings shall go back to the date meter tampering or energy diversion began, as determined by the Company.
 - d. Where lack of access to the meter (caused by the Customer) has resulted in estimated bills, corrected charges for underbillings shall go back to the billing month of the last Company obtained meter read date.

G. Returned Payments

1. The Company will be allowed to recover a fee, as set forth in the TEP Statement of Charges, for each instance where a Customer tenders payment for electric service with a payment returned unpaid. This fee will also apply when an electronic funds transfer ("EFT") is denied for any reason.
2. When the Company is notified by the Customer's bank or other financial institution that a payment has been returned unpaid, or denied for any reason, the Company may require the Customer to make payment in cash, by money order, certified check, or other means which guarantee the Customer's payment to the Company.

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Tucson Electric Power

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SECTION 11 **BILLING AND COLLECTION** (continued)

3. A Customer who tenders a payment which is returned unpaid, regardless of the reason or method used to pay, will not be relieved of the obligation to render payment to the Company under the original terms of the bill nor defer the Company's provision for termination of service for nonpayment of bills.
4. A Customer with two returned payments within a twelve (12) month period may be required to pay with guaranteed funds, (i.e., cash, money order, or cashier's check) for any subsequent billing for twelve (12) months.

H. Budget Billing Plan

1. The Company may, at its option, offer its Customers a budget billing plan.
2. If the Company offers a budget billing plan, the Company will develop, upon Customer request, an estimate of the Customer's budget billing for a twelve-month period based upon:
 - a. Customer's actual consumption history, which may be adjusted for abnormal conditions such as weather variations.
 - b. For new Customers, the Company will estimate consumption based on the Customer's anticipated load requirements.
 - c. The Company's Rate approved by the Commission applicable to that Customer's class of service.
3. The Company will provide the Customer a concise explanation of how the budget billing estimate was developed, the impact of budget billing on a Customer's monthly electric bill, and the Company's right to adjust the Customer's billing for any variation between the Company's estimated billing and actual billing.
4. For those Customers being billed under a budget billing plan, the Company will show, at a minimum, the following information on the Customer's monthly bill:
 - a. Actual consumption;
 - b. Amount due for actual consumption;
 - c. Budget billing amount due; and
 - d. Accumulated variation in actual versus budget billing amount.
5. The Company may adjust the Customer's budget billing in the event the Company's estimate of the Customer's usage and/or cost should vary significantly from the Customer's actual usage and/or cost. This review to adjust the amount of the budget billing may be initiated by the Company or Customer.

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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 11 BILLING AND COLLECTION (continued)

I. Deferred Payment Plan

1. The Company may, prior to termination, offer to qualifying residential Customers a deferred payment plan for the Customer to retire unpaid bills for electric service.
2. Each deferred payment agreement entered into by the Company and the Customer, due to the Customer's inability to pay an outstanding bill in full, will provide that service will not be discontinued if:
 - a. Customer agrees to pay a reasonable amount of the outstanding bill at the time the parties enter into the deferred payment agreement.
 - b. Customer agrees to pay all future bills for electric service in accordance with the Company's Rates.
 - c. Customer agrees to pay a reasonable portion of the remaining outstanding balance in installments over a period not to exceed six (6) months.
3. For the purpose of determining a reasonable installment payment schedule under these rules, the Company and the Customer will give consideration to the following conditions:
 - a. Size of the delinquent account;
 - b. Customer's ability to pay;
 - c. Customer's payment history;
 - d. Length of time the debt has been outstanding;
 - e. Circumstances which resulted in the debt being outstanding; and
 - f. Any other relevant factors related to the circumstances of the Customer.
4. Any Customer who desires to enter into a deferred payment agreement must do so before the Company's scheduled termination date for nonpayment of bills. The Customer's failure to execute a deferred payment agreement prior to the scheduled service termination date will not prevent the Company from terminating service for nonpayment.
5. Deferred payment agreements may be in writing and may be signed by the Customer and an authorized Company representative.
6. A deferred payment agreement may include a finance charge in an amount equal to the Company's actual or average cost of providing such arrangements.

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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 911-6
Superseding: _____

SECTION 11 BILLING AND COLLECTION (continued)

7. If a Customer has not fulfilled the terms of a deferred payment agreement, the Company has the right to disconnect service pursuant to the Company's Termination of Service Rules in Section 12 and, under these circumstances, it will not be required to offer subsequent negotiation of a deferred payment agreement prior to disconnection.

J. Change of Occupancy

1. The Customer must give the Company at least three (3) business days advance notice in writing or by telephone, to discontinue service or to change occupancy.
2. The outgoing Customer will be responsible for all electric services provided and/or consumed up to the scheduled turn-off date.
3. The outgoing Customer is responsible for providing access to the meter so that the Company may obtain a final meter reading. If access is unavailable, due to the action or inaction of the Customer, the outgoing Customer will be responsible for the services consumed until such time as access is provided and services can be turned-off.

K. Electronic Billing

1. Electronic Billing is an optional billing service whereby Customers may elect to receive, view and pay their bills electronically. The Company may modify its Electronic Billing services from time to time. A Customer electing an electronic billing service may receive an electronic bill in lieu of a paper bill.
2. Customers electing an electronic billing service may be required to complete additional forms and agreements.
3. Electronic Billing may be discontinued at any time by Company or the Customer.
4. An Electronic Bill will be considered rendered at the time it is electronically sent to the Customer. Failure to receive bills or notices that have been properly sent by an Electronic Billing system does not prevent these bills from becoming delinquent and does not relieve the Customer of the Customer's obligations therein.
5. Any notices that the Company is required to send to the Customer who has elected an Electronic Billing service may be sent by electronic means at the option of the Company.
6. Except as otherwise provided in this subsection, all other provisions of the Company's Rules and Regulations and other applicable Rates are applicable to Electronic Billing.

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Tucson Electric Power Company Rules and Regulations

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SECTION 11 **BILLING AND COLLECTION** (continued)

7. The Customer must provide the Company with a current email address for electronic bill delivery. If the electronic bill is electronically sent to the Customer at the email address that the Customer provided to the Company, then the Electronic Bill will be considered properly sent. Further, the Customer will be responsible for updating the Company with any changes to this email address. Failure to do so will not excuse the Customer from timely paying the Company for electric service.

L. Collections

1. All unpaid closed accounts may be referred to a collection agency for collections.
2. If a collection agency referral is warranted for collection of unpaid final bills, Customer will be responsible for associated collection agency fees incurred. If the unpaid bill is referred to a credit bureau, the Company will not be held responsible to notify the Credit Bureau of any payment status.

M. Refunds

Customers will not be eligible for refunds, rebates or other Company program payments if the Customer has a delinquent Company balance.

N. Refund of Credit Balance Following Discontinuance of Service

Upon discontinuance of service, the Company shall refund the Customer any credit balance remaining on the account. With the consent of the Customer (when available), any credit balance remaining on the account that is less than \$5.00, shall be donated to a low-income assistance program to be determined by the Company or as may be required by law.

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July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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Superseding: _____

SECTION 12 TERMINATION OF SERVICE

- A. Please refer to the Arizona Administrative Code R14-2-211.A.
- B. Termination of Service Without Notice
1. Electric service may be disconnected without advance written notice under the following conditions:
 - a. The existence of an obvious safety or health hazard to the consumer, the general population or the Company's personnel or facilities;
 - b. The Company has evidence of meter tampering or fraud; or
 - c. The Company has evidence of unauthorized resale or use of electric service; or
 - d. Customer makes payment to avoid/stop disconnection for non-payment with a dishonored or fraudulent payment. The Company will not be required to restore service until the repayment of those funds and all other delinquent amounts are paid by cash, money order, cashier's check, certified funds or verified electronic payment; or
 - e. Customer makes payment to reconnect service with a dishonored or fraudulent payment. The Company will not be required to restore service until the repayment of those funds and all other delinquent amounts are paid by cash, money order, cashier's check, certified funds or verified electronic payment; or
 - f. Failure of a Customer to comply with the curtailment procedures imposed by the Company during supply shortages.
 2. The Company will not be required to restore service until the conditions that led to the termination have been corrected to the satisfaction of the Company.
 3. The Company will maintain a record of all terminations of service without notice for a minimum of one (1) year and will be available for inspection by the Commission.
- C. Termination of Service With Notice
1. The Company may disconnect service to any Customer for any reason stated below provided that the Company has met the notice requirements described in Subsection 12.E. below:
 - a. Customer violation of any of the Company's Rates;
 - b. Failure of the Customer to pay a delinquent bill for electric service;
 - c. Failure of a prior Customer to pay a delinquent bill for electric service where the prior Customer continues to reside on the premise;
 - d. Failure of the Customer to meet agreed-upon deferred payment arrangements;
 - e. Failure to meet or maintain the Company's deposit requirements;
 - f. Failure of the Customer to provide the Company reasonable safe access to its equipment and property;

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Rules and Regulations

July 1, 2013
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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 912-1
Superseding: _____

SECTION 12 TERMINATION OF SERVICE (continued)

- g. Returned or invalid payments;
 - h. Customer breach of a written contract for service between the Company and Customer;
 - i. When necessary for the Company to comply with an order of any governmental agency having such jurisdiction;
 - j. When a hazard exists that is not imminent, but in the Company's opinion, may cause property damage;
 - k. Customer facilities that do not comply with Company requirements or specifications;
 - l. Failure to provide or retain rights-of-way or easements necessary to serve the Customer; or
 - m. The Company learns of the existence of any condition in Section 3.D., Grounds for Refusal of Service.
 - 2. The Company will maintain a record of all terminations of service with notice for one (1) year and be available for Commission inspection.
- D. The Company will not be obligated to renotify the Customer of the termination of service, even if the Customer – after receiving the required termination of service notification – has made payment, yet the payment is returned within three (3) to five (5) business days of receipt for any reason. The original notification will apply.
- E. Termination Notice Requirements
- 1. The Company will not terminate service to any of its Customers without providing advance written notice to the Customer of the Company's intent to disconnect service, except under those conditions specified in Subsection 12.B. where advance written notice is not required.
 - 2. This advance written notice will contain, at a minimum, the following information:
 - a. The name of the person whose service is to be terminated and the address where service is being rendered.
 - b. The Company's Rate that was violated and explanation of the violation or the amount of the bill that the Customer has failed to pay in accordance with the payment policy of the Company, if applicable.
 - c. The date on or after which service may be terminated.
 - d. A statement advising the Customer to contact the Company at a specific phone number for information regarding any deferred payment or other procedures that the Company may offer or to work out some other mutually agreeable solution to avoid termination of the Customer's service.

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July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

Original Sheet No.: 912-2
Superseding: _____

SECTION 12 TERMINATION OF SERVICE (continued)

- e. A statement advising the Customer the Company's stated reason(s) for the termination of services may be disputed by contacting the Company at a specific address or phone number, advising the Company of the dispute and making arrangements to discuss the cause for termination with a responsible employee of the Company in advance of the scheduled date of termination. The responsible employee will be empowered to resolve the dispute and the Company will retain the option to terminate service after affording this opportunity for a meeting and concluding that the reasons for termination is just and advising the Customer of his right to file a complaint with the Commission.
 3. Where applicable, a copy of the termination notice will be simultaneously forwarded to designated third parties.
- F. Timing of Terminations With Notice
1. The Company will give at least a five (5) day advance written notice prior to the termination date.
 2. This notice will be considered to be given to the Customer when a copy of the notice is left with the Customer or posted first class via the U.S. Postal Service, addressed to the Customer's last known address.
 3. If, after the period of time allowed by the notice has elapsed and the delinquent account has not been paid nor arrangements made with the Company for payment of the bill – or in the case of a violation of the Company's rules the Customer has not satisfied the Company that this violation has ceased – then the Company may terminate service on or after the day specified in the notice without giving further notice.
 4. The Company will have the right (but not the obligation) to remove any or all of its property installed on the Customer's premises upon the termination of service. Upon the termination of service the Company may, without liability for injury or damage, dismantle and remove its line extension facilities within two (2) years after termination of service. The Company will give the Customer thirty (30) days written notice before removing its facilities should the Company decide to do so, or else waive any reestablishment charge within the next one (1) year for the same service to the same Customer at the same location.
- G. Landlord/Tenant Rule
1. In situations where service is rendered at an address different from the mailing address of the bill or where the Company knows that a landlord/tenant relationship exists and the landlord is the Customer of the Company, and where the landlord as a Customer would otherwise be subject to disconnection of service, the Company may not disconnect service until the following actions have been taken:
 - a. Where it is feasible to so provide service, the Company, after providing notice as required in these rules, will offer the occupant the opportunity to subscribe for service in his or her own name. If the occupant then declines to so subscribe, the Company may disconnect service pursuant to the rules.
 - b. The Company will not attempt to recover from a tenant or condition service to a tenant, upon the prepayment of any outstanding bills or other charges due upon the outstanding account of the landlord.

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District: Entire Electric Service Area

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Decision No.
Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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Superseding: _____

SECTION 13 RECONNECTION OF SERVICE

When service has been discontinued for any of the reasons set forth in these Rules and Regulations, the Company will not be required to restore service until the following conditions have been met by the Customer:

A. Where service was discontinued without notice:

1. The hazardous condition must be removed and the installation will conform to accepted standards.
2. All bills for service and/or applicable investigative costs due the Company by reason of fraudulent or unauthorized use, diversion or tampering must be paid and a deposit to guarantee the payment of future bills may be required.
3. Required arrangements for service must be made.

B. Where service was discontinued with notice:

1. The Customer must make arrangements for the payment of all bills and these arrangements must be satisfactory to the Company.
2. The Customer must furnish a satisfactory guarantee to pay all future bills.
3. The Customer must correct any and all violations of these Rules and Regulations.

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Rules and Regulations

July 1, 2013
73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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Superseding: _____

SECTION 14 ADMINISTRATIVE AND HEARING REQUIREMENTS

A. Customer Service Complaints

1. The Company will make a full and prompt investigation of all service complaints made by its Customers, either directly or through the Commission.
2. The Company will respond to the complainant and/or the Commission representative within five (5) business days as to the status of the Company's investigation.
3. The Company will notify the complainant and/or the Commission representative of the final disposition of each complaint. Upon request of the complainant or the Commission representative, the Company will report the findings of its investigation in writing.
4. The Company will inform the Customer of his right of appeal to the Commission.
5. The Company will keep a record of all written service complaints received that must contain, at a minimum, the following data:
 - a. Name and address of complainant;
 - b. Date and nature of the complaint;
 - c. Disposition of the complaint; and
 - d. A copy of any correspondence between the Company, the Customer, and/or the Commission.
6. This record will be maintained for a minimum period of one (1) year and will be available for inspection by the Commission.

B. Customer Bill Disputes

1. Any utility Customer who disputes a portion of a bill rendered for electric service must pay the undisputed portion of the bill and notify the Company's designated representative that any unpaid amount is in dispute prior to the delinquent date of the bill.

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July 1, 2013
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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 14 ADMINISTRATIVE AND HEARING REQUIREMENTS (continued)

2. Upon receipt of the Customer notice of dispute, the Company will:
 - a. Notify the Customer within five (5) business days of the receipt of a written dispute notice.
 - b. Initiate a prompt investigation as to the source of the dispute.
 - c. Withhold disconnection of service until the investigation is completed and the Customer is informed of the results.
 - d. Upon request of the Customer, the Company will report the results of the investigation in writing.
 - e. Inform the Customer of his right of appeal to the Commission.
 3. Once the Customer has received the results of the Company's investigation, the Customer will submit payment within five (5) business days to the Company for any disputed amounts. Failure to make full payment may be grounds for termination of service.
 4. The Company will inform the Customer of his right of appeal to the Commission.
- C. Commission resolution of service and bill disputes
1. In the event the Customer and the Company cannot resolve a service or bill dispute the Customer must file a written statement of dissatisfaction with the Commission; by submitting this statement to the Commission, the Customer will be deemed to have filed an informal complaint against the Company.
 2. Within 30 days of the receipt of a written statement of Customer dissatisfaction related to a service or bill dispute, a designated representative of the Commission will endeavor to resolve the dispute by correspondence or telephone with the Company and the Customer. If resolution of the dispute is not achieved within 20 days of the Commission representative's initial effort, the Commission will hold an informal meeting to arbitrate the resolution of the dispute. This informal meeting will be governed by the following rules:
 - a. Each party may be represented by legal counsel, if desired.
 - b. All informal meetings may be recorded or held in the presence of a stenographer.
 - c. All parties will have the opportunity to present written or oral evidentiary material to support the positions of the individual parties.
 - d. All parties and the Commission's representative will be given the opportunity to cross-examine the various parties.

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73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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Superseding: _____

SECTION 14 ADMINISTRATIVE AND HEARING REQUIREMENTS (continued)

- e. The Commission's representative will render a written decision to all parties within five business days after the date of the informal meeting. This written decision of the arbitrator is not binding on any of the parties and the parties may still make a formal complaint to the Commission.
3. The Company may implement its termination procedures if the Customer fails to pay all bills rendered during the resolution of the dispute by the Commission.
4. The Company will maintain a record of written statements of dissatisfaction and their resolution for a minimum of one (1) year and make these records available for Commission inspection.

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73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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Superseding: _____

SECTION 15 TEMPORARY SERVICE OR CYCLICAL USAGE

- A. For electric service of a temporary nature [less than two (2) years], line extension charges may apply as set forth in the TEP Statement of Charges, in addition to the regular charges for service which will be billed under the applicable rate schedule. Emergency, supplementary, breakdown or other standby service is not considered temporary and is subject to the provisions of Section 16. Permanent or semi-permanent businesses whose characteristics of operation result in infrequent cyclical usage of energy (e.g., asphalt batch plants, lettuce cooling plants) will require separate contracts with the Company to assure full recovery of the Company's annual ownership cost on the total facilities installed to provide service to the Applicant.

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73912



Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 16 STANDBY SERVICE

- A. Emergency, breakdown, supplementary or other standby service will be supplied by the Company at its option only under special contracts specifying the rates, terms and conditions governing such service.

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Tucson Electric Power

Tucson Electric Power Company Rules and Regulations

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SECTION 17 POWER FACTOR

- A. The Company may require the Customer by written notice to either maintain a specified minimum lagging power factor or the Company may after thirty (30) days install power factor corrective equipment and bill the Customer for the total costs of this equipment and installation.
- B. In the case of apparatus and devices having low power factor, now in service, which may hereafter be replaced, and all similar equipment hereafter installed or replaced, served under general commercial schedules, the Company may require the Customer to provide, at the Customer's own expense, power factor corrective equipment to increase the power factor of any such devices to not less than ninety (90) percent.
- C. If the Customer installs and owns the capacitors needed to supply his reactive power requirements, then the Customer must equip them with suitable disconnecting switches, so installed that the capacitors will be disconnected from the Company's lines whenever the Customer's load is disconnected from the Company's facilities.
- D. Gaseous tube installations totaling more than one thousand (1,000) volt-amperes must be equipped with capacitors of sufficient rating to maintain a minimum of ninety percent (90%) lagging power factor.
- E. Company installation and removal of metering equipment to measure power factor will be at the discretion of the Company.

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Purchased Power and Fuel
Adjustment Clause
Plan of Administration

Tucson Electric Power Company
Purchased Power and Fuel Adjustment Clause
Plan of Administration

Table of Contents

1. General Description.....	1
2. Definitions.....	1
3. PPFAC Components.....	3
4. Calculation of the PPFAC.....	5
5. Filing and Procedural Deadlines.....	6
6. Verification and Audit.....	7
7. Schedules.....	7
8. Compliance Reports.....	7
9. Allowable Costs.....	9

1. GENERAL DESCRIPTION

This document describes the plan for administering the Purchased Power and Fuel Adjustment Clause ("PPFAC") the Arizona Corporation Commission ("Commission") approved for Tucson Electric Power Company ("TEP") in Decision No. 70628 (December 1, 2008) and amended by the Commission in Decision No. 73912 (June 27, 2013).

The PPFAC described in this Plan of Administration ("POA") uses a forward-looking estimate of fuel and purchased power costs to set a rate that is then reconciled to actual costs experienced. This POA describes the application of the PPFAC.

2. DEFINITIONS

Applicable Interest - Based on one-year Nominal Treasury Constant Maturities rate contained in the Federal Reserve Statistical Release H-15. The interest rate is adjusted annually on the first business day of the calendar year.

Base Cost of Fuel and Purchased Power - An amount generally expressed as a rate per kWh, which reflects the fuel and purchased power cost embedded in the base rates as approved by the Commission in TEP's most recent rate case. The Base Cost of Fuel and Purchased Power revenue is the approved rate per kWh times the applicable sales volumes. Decision No. 73912 set the base cost at \$0.032335 per kWh are effective on July 1, 2013.

Brokerage Fees - The costs attributable to the use of brokers recorded in Federal Energy Regulatory Commission ("FERC") Account 557.

Forward Component - An amount expressed as a rate per kWh charge that is updated annually on April 1 of each year and effective with the first billing cycle in April. The Forward Component for the PPFAC Year will adjust for the difference between the forecasted fuel and purchased power costs expressed as a rate per kWh less the Base Cost of Fuel and Purchase Power generally expressed as a rate per kWh embedded in TEP's base rates. The result of this calculation will equal the Forward Component, expressed as a rate per kWh.

Forward Component Tracking Account - An account that records on a monthly basis TEP's over/under-recovery of its actual costs of fuel and purchased power as compared to the actual Base Cost of Fuel and Purchased Power revenue and Forward Component revenue; plus Applicable Interest. The balance of this account as of the end of each PPFAC Year is, subject to periodic audit, reflected in the next True-Up Component calculation. TEP files the balances and supporting details underlying this Account with the Commission on a monthly basis via a monthly reporting requirement.

Fuel and Purchased Power Costs - The costs recorded for the fuel and purchased power used by TEP to serve both Total Native Load Energy Sales and Short Term Sales. Wheeling costs are included.

Lime Costs (FERC Account 502) – The costs recorded for lime used to remove sulfur compounds formed during coal combustion.

Long Term Energy Sales - The portion of load from Total Native Load Energy Sales wholesale customers (currently Salt River Project, Tohono O'odham Utility Authority and Navajo Tribal Utility Authority) that is served by TEP, excluding the load served with Preference Power. Wholesale sales with a duration of one year or greater are also included.

PPFAC - The Purchased Power and Fuel Adjustment Clause approved by the Commission in Decision No. 70628 and amended by the Commission in Decision No. 73912, is a combination of two rate components that track changes in the cost of obtaining power supplies based upon forward-looking estimates of fuel and purchased power costs that are eventually reconciled to actual costs experienced. This PPFAC also provides for a reconciliation between actual and estimated costs of the last three months of estimated costs used in True-Up Component calculations.

PPFAC Year - A consecutive 12-month period beginning each April 1 and lasting through March 31 the following year.

Preference Power - Power allocated to TEP wholesale customers by federal power agencies such as the Western Area Power Administration.

Retail Native Load Energy Sales – The portion of load from Total Native Load Energy Sales that serves TEP's retail customers located within the TEP control area.

Short Term Sales – Wholesale sales with durations of less than one year made to non-Native Load customers for the purpose of optimizing the TEP system, using TEP owned or contracted generation and purchased power.

Short Term Sales Revenue - The revenue recorded from wholesale sales with durations of less than one year made to non-Native Load customers, for the purpose of optimizing the TEP system, using TEP-owned or contracted generation and purchased power.

SO₂ Allowance Sales – The revenues related to the sale of SO₂ emission allowances, including gain on SO₂ allowance sales and auction proceeds net of Brokerage Fees paid.

Sulfur Credits – Credits received by TEP related to coal sulfur content that offset the cost of chemicals used to remove sulfur compounds formed during coal combustion.

Total Native Load Energy Sales – Retail Native Load Energy Sales and Long Term Energy Sales for which TEP has a generation service obligation.

True-Up Component - An amount expressed as a rate per kWh charge that is updated annually on April 1 of each year and effective with the first billing cycle in April. The purpose of this charge is to provide for a true-up mechanism to reconcile any over or under-recovered amounts

from the preceding PPFAC Year tracking account balances to be refunded/collected from customers in the coming year's PPFAC rate.

True-Up Component Tracking Account - An account that records on a monthly basis the account balance to be collected or refunded via the True-Up Component rate as compared to the actual True-Up Component revenues, plus Applicable Interest; the balance of which at the close of the preceding PPFAC Year is, subject to periodic audit, then reflected in the next True-Up Component calculation. TEP files the balances and supporting details underlying this Account with the Commission on a monthly basis.

Wheeling Costs (FERC Account 565, Transmission of Electricity by Others) - Amounts payable to others for the transmission of TEP's electricity over transmission facilities owned by others.

Wholesale Trading Activity - Revenue recorded from realized wholesale trading profits.

3. PPFAC COMPONENTS

The PPFAC Rate will consist of two components designed to provide for the recovery of actual, prudently incurred fuel and purchased power costs. Those components are:

1. The Forward Component, which recovers or refunds differences between expected PPFAC Year (each April 1 through March 31 period shall constitute a PPFAC Year) fuel and purchased power costs and those embedded in base rates.
2. The True-Up Component, which tracks the differences between the PPFAC Year's actual fuel and purchased power costs and those costs recovered through the combination of base rates and the Forward Component, and which provides for their recovery during the next PPFAC Year.

The PPFAC Year begins on April 1 and ends the following March 31.

On or before October 31 of each year, TEP will submit a PPFAC Rate filing, which shall include an estimate of the components for the following April's PPFAC rate. This filing shall be accompanied by supporting information as Staff determines to be required. TEP will update this filing on or before February 1 in order to replace estimated balances with actual balances, as explained below.

A. Forward Component Description

The Forward Component is intended to refund or recover the difference between: (1) the fuel and purchased power costs embedded in base rates and (2) the forecasted fuel and purchased power costs over a PPFAC Year that begins on April 1 and ends the following March 31. TEP will submit, on or before October 31 of each year, a forecast for the upcoming PPFAC year (April 1 through March 31) of its fuel and purchase power costs. It will also submit a forecast of kWh sales for the same PPFAC year, and divide the forecasted costs by the forecasted sales to produce

the cents per kWh unit rate required to collect those costs over those sales. The result of subtracting the Base Cost of Fuel and Purchased Power from this unit rate shall be the Forward Component.

Credits to the PPFAC

The following will be credited to the PPFAC:

1. All revenues from Short Term Sales;
2. Ten percent of the net positive margins realized by TEP during the PPFAC year on its Wholesale Trading Activities;
3. One hundred (100%) percent of the margins realized by TEP on SO₂ Allowance Sales (net of brokerage fees);
4. All Sulfur Credits received by TEP; and
5. The sale of renewable energy credits that do not flow through the Renewable Energy Standard Tariff.

TEP shall maintain and report monthly the balances in a Forward Component Tracking Account, which will record TEP's over/under-recovery of its actual costs of fuel and purchased power as compared to the actual Base Cost of Fuel and Purchased Power revenue and Forward Component revenue. This Account will operate on a PPFAC Year basis (i.e. April 1 to the following March 31), and its balances will be used to administer this PPFAC's True-Up Component, which is described immediately below.

B. True-Up Component Description

The True-Up Component in any current PPFAC Year is intended to refund or recover the balance accumulated in the Forward Component Tracking Account (described above) during the previous PPFAC year. Also, any remaining balance from the True-Up Component Tracking Account as of March 31 would roll over into the True-Up Component for the coming PPFAC year starting April 1. The sum of projected Forward Component Tracking Account and True-Up Component Tracking Account balances on March 31 is divided by the forecasted PPFAC year kWh sales to determine the True-Up Component for the coming PPFAC year.

TEP shall maintain and report monthly the balances in a True-Up Component Tracking Account, which will reflect monthly collections or refunds under the True-Up Component and the amounts approved for use in calculating the True-Up Component.

Each annual TEP filing on October 31 will include an accumulation of Forward Component Tracking Account balances and True-Up Component Tracking Account balances for the preceding April through September and an estimate of the balances for October through March (the remaining six months of the current PPFAC Year). The TEP filing shall use these balances to calculate a preliminary True-Up Component for the coming PPFAC Year. On or before February 1, TEP will update the October filing. This update shall replace estimated monthly balances with those actual monthly balances that have become available since the October 31 filing.

The October 31 filing's use of estimated balances for October through March (with supporting workpapers) is required to allow the PPFAC review process to begin in a way that will support its completion and a Commission decision before April 1. The February 1 updating will allow for the use of the most current balance information available before the PPFAC rate would go into effect. In addition to the February 1 update filing, TEP monthly filings (for the months of September through December) of Forward Component Tracking Account balance information and True-Up Component Tracking Account balance information will include a recalculation (replacing estimated balances with actual balances as they become known) of the projected True-Up Component unit rate required for the next PPFAC Year.

The True-Up Component Tracking Account will measure the changes each month in the True-Up Component balance used to establish the current True-Up Component as a result of collections under the True-Up Component in effect. It will subtract each month's True-Up Component collections from the True-Up Component balance. The True-Up Component Account will also include Applicable Interest on any balances. TEP shall file the amounts and supporting calculations and workpapers for this account each month.

4. CALCULATION OF THE PPFAC RATE

The PPFAC rate is the sum of the two components: the Forward Component and the True-Up Component. The PPFAC rate shall be applied to customer bills. Upon Commission approval, the proposed PPFAC rate (as amended by the updated February 1 filing) shall go into effect on April 1. The PPFAC rate shall be applicable to TEP's retail electric rate schedules (except those specifically exempted) and is adjusted annually. The PPFAC Rate shall be applied to the customer's bill as a monthly kilowatt-hour ("kWh") charge that is the same for all customer classes.

The PPFAC rate shall be reset on April 1 of each year, and shall be effective with the first April billing cycle only after approved by the Commission. It is not prorated

5. FILING AND PROCEDURAL DEADLINES

A. October 31 Filing

TEP shall file the PPFAC rate with all Component calculations for the PPFAC year beginning on the next April 1, including all supporting data, with the Commission on or before October 31 of each year. That calculation shall use a forecast of kWh sales and of fuel and purchased power costs for the coming PPFAC year, with all inputs and assumptions being the most current available for the Forward Component. The filing will also include the True-Up Component calculation for the year beginning on the next April 1, with all supporting data. That calculation will use the same forecast of sales used for the Forward Component calculation.

B. February 1 Filing

TEP will update the October 31 filing by February 1. This update will replace estimated Forward Component Tracking Account balances, and the True-Up Component Tracking Account balances, with actual balances and with more current estimates for those months (January, February and March) for which actual data are not available. The new PPFAC rate will go into effect on April 1 upon Commission approval.

C. Additional Filings

TEP will also file with the Commission any additional information that the Staff determines it requires to verify the component calculations, account balances, and any other matter pertinent to the PPFAC.

D. Review Process

The Commission Staff and interested parties will have an opportunity to review the October 31 and February 1 forecast, balances, and supporting data on which the calculations of the two PPFAC components have been based. Any objections to the October 31 calculations must be filed within 45 days of the TEP filing. Any objections to the February 1 calculations must be filed within 15 days of the TEP filing.

6. VERIFICATION AND AUDIT

The amounts charged through the PPFAC will be subject to periodic audit to assure their completeness and accuracy and to assure that all fuel and purchased power costs were incurred reasonably and prudently. The Commission may, after notice and opportunity for hearing, make such adjustments to existing balances or to already recovered amounts as it finds necessary to correct any accounting or calculation errors or to address any costs found to be unreasonable or imprudent. Such adjustments, with appropriate interest, shall be recovered or refunded in the True-Up Component for the following year (i.e. starting the next April 1).

TEP agrees to pay the cost of biennial audits of its PPFAC by an outside auditor retained by the Commission.

7. SCHEDULES

Samples of the following schedules are attached to this Plan of Administration:

- Schedule 1 PPFAC Rate Calculation
- Schedule 2 PPFAC Forward Component Rate Calculation
- Schedule 3 PPFAC Forward Component Tracking Account
- Schedule 4 PPFAC True-Up Component Rate Calculation
- Schedule 5 PPFAC True-Up Component Tracking Account

8. COMPLIANCE REPORTS

TEP shall provide monthly reports to Staff's Compliance Section and to the Residential Utility Consumer Office detailing all calculations related to the PPFAC. A TEP Officer shall certify under oath that all information provided in the reports itemized below is true and accurate to the best of his or her information and belief and that there have been no changes to the Allowable Costs recovered through the PPFAC without Commission approval. These monthly reports shall be due within 45 days of the end of the reporting period.

The publicly available reports will include at a minimum:

1. The PPFAC Rate Calculation (Schedule 1); Forward Component and True-Up Component Calculations (Schedules 2 and 4); Annual Forward Component and, True-Up Component Tracking Account Balances (Schedules 3 and 5). Additional information will provide other relative inputs and outputs such as:
 - a. Total power and fuel costs.
 - b. Customer sales in both MWh and thousands of dollars by customer class.
 - c. Number of customers by customer class.
 - d. A detailed listing of all items excluded from the PPFAC calculations.
 - e. A detailed listing of any adjustments to the adjustor reports.
 - f. Total short term sales revenues.
 - g. System losses in MWh.
 - h. Monthly maximum retail demand in MW.
 - i. SO₂ allowance sales.
2. Identification of a contact person and phone number from TEP for questions.

TEP shall also provide to Commission Staff monthly reports containing the information listed below. These reports shall be due within 45 days of the end of the reporting period. All of these additional reports must be provided confidentially.

- A. Information for each generating unit will include the following items:
 1. Net generation, in MWh per month, and 12 months cumulatively.
 2. Average heat rate, both monthly and 12-month average.
 3. Equivalent forced-outage rate, both monthly and 12-month average.
 4. Outage information for each month including, but not limited to, event type, start date and time, end date and time, and a description.
 5. Total fuel costs per month.
 6. The fuel cost per kWh per month.
- B. Information on power purchases will include the following items per seller (information on economy interchange purchases may be aggregated):
 1. The quantity purchased in MWh.
 2. The demand purchased in MW to the extent specified in the contract.
 3. The total cost for demand to the extent specified in the contract.
 4. The total cost of energy.

- C. Fuel purchase information shall include the following items:
1. Natural gas interstate pipeline costs, itemized by pipeline and by individual cost components, such as reservation charge, usage, surcharges and fuel.
 2. Natural gas commodity costs, categorized by short-term purchases (one month or less) and longer term purchases, including price per therm, total cost, supply basin, and volume by contract.
- D. TEP will also provide:
1. Monthly projections for the next 12-month period showing estimated (Over)/undercollected amounts.
 2. A summary of unplanned outage costs by resource type.
 3. The data necessary to arrive at the Native Load Energy Sales MWh reflected in the non-confidential filing.
 4. The data necessary to arrive at the Total Fuel and Purchase Power cost reflected in the non-confidential filing (Section 8.1.a).

In addition, TEP will prepare certain schedules and documents that will provide the necessary transparency of TEP's fuel and purchased power procurement activities such that the prudence of these activities can be determined and compliance with company procurement protocols can be confirmed.

Workpapers and other documents that contain proprietary or confidential information will be provided to the Commission Staff under an appropriate protective agreement. TEP will keep fuel and purchased power invoices and contracts available for Commission review. The Commission has the right to review the prudence of fuel and power purchases and any calculations associated with the PPFAC at any time. Any costs flowed through the PPFAC are subject to refund, if those costs are found to be imprudently incurred.

9. ALLOWABLE COSTS

A. Accounts

The allowable PPFAC costs include fuel and purchased power costs incurred to provide service to retail customers. Additionally, the prudent direct costs of contracts used for hedging system fuel and purchased power will be recovered under the PPFAC. The allowable cost components include the following Federal Energy Regulatory Commission ("FERC") accounts:

- 501 Fuel (Steam)
- 547 Fuel (Other Production)
- 555 Purchased Power
- 565 Wheeling (Transmission of Electricity by Others)

These accounts are subject to change if the Federal Energy Regulatory Commission alters its accounting requirements or definitions.

B. Other Allowable Costs/Credits

- Brokerage Fees recorded in FERC Account 557
- Lime costs recorded in FERC Account 502
- Sulfur credits recorded in FERC Account 502

These accounts are subject to change if the Federal Energy Regulatory Commission alters its accounting requirements or definitions.

No other costs or credits are allowed without approval from the Commission in an Order.

**Tucson Electric Power Company
Purchased Power and Fuel Adjustment Clause
Monthly Information Filing
Proposed 20xx & 20xx PPFAC Rate Filing**

Schedule 1	Projected Rate Calculation effective April 1, 20xx
Schedule 2	Projected PPFAC Forward Component Rate Calculation Effective April 1, 20xx
Schedule 3	Projected Forward Component Tracking Account Balance
Schedule 4	Projected PPFAC True-Up Component Rate Calculation Effective April 1, 20xx
Schedule 5	Projected True-Up Component Tracking Account Balance

Lime Cost Support

Sulfur Credit Support

Brokerage Cost Support

Forecast

Tucson Electric Power Contact Information

**Toby Voge (520) 745-3332
Senior Director, Tucson Electric Power**

TUCSON ELECTRIC POWER COMPANY

Schedule 1

Purchased Power and Fuel Adjustment Clause (PPFAC) Rate Calculation

(\$/kWh)

Line No.	PPFAC Rate Calculation	Current 4/1/20xx	Proposed 4/1/20xx	Increase / (Decrease) \$.000000/kWh	%
1	Forward Component Rate (Sch. 2, L12) ¹				
2	True-Up Component Rate (Sch. 4, L5) ²				
3	PPFAC Rate April 1, 20xx (L1+L2)				
4	Average Base Rate April 1, 20xx ³				
5	Average Total Rate April 1, 20xx (L3+L4)				

Notes:

¹ TEP PPFAC effective April 1, 20xx, and proposed 20xx rate

² A Historical Component is a true-up related to respective prior period PPFAC activity.

³ Average Base Rate as defined in Decision No. XXXXX

TUCSON ELECTRIC POWER COMPANY

Schedule 2

PPFAC Forward Component Rate Calculation Effective April 1, 20xx
(Forward Component Rate in \$/kWh)

Line No.	PPFAC Forward Component Rate - Calculation	Current 4/1/20xx	Proposed 4/1/20xx	Increase / (Decrease) \$ Values	%
1	Projected PPFAC Fuel and Purchased Power Costs ¹				
2	Projected Short Term Sales Revenue Credit ²				
3	Projected Wholesale Trading Activities Credit ³				
4	Projected SO ₂ Allowance Sales Credit ⁴				
5	Net Fuel and Purchased Power Cost (L1 + L2 + L3 + L4)				
6	Projected Native Load Energy Sales (kWhs)				
7	Projected Average Net Fuel Costs \$/kWh (L5/L6)				
8	Base Cost of Fuel and Purchased Power \$/kWh				
9	Difference between Projected Cost & Base Cost (L7-L8)				
10	Forward Component Costs (L6*L9)				
11	Projected Energy Sales (kWh)				
12	Forward Component Rate \$/kWh (L10/L11)				

Notes:

- ¹ Includes Sulfur Credits, Lime Costs, and Brokerage Costs per Commission Decision No. xxxxx
- ² Short Term Sales revenues are credited at 100% as approved by the Commission in Decision No. 70628.
- ³ 10% of Wholesale Trading Activities credited against Fuel and Purchased Power Costs as approved by the Commission in Decision No. 70628.
- ⁴ 100% of SO₂ Allowance Sales credited against Fuel and Purchased Power Costs per Commission Decision No. xxxxx

TUCSON ELECTRIC POWER COMPANY

Schedule 3

Forward Component Tracking Account - PPFAC Forward Component Rate in effect from Apr 1, 20xx to Mar 31, 20xx
(\$ in thousands; Forward Component Rate and Base Rate in \$/kWh)

Actual data											Forecast data	
Line	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12			
1	Prior Month Balance										(L18)	
Energy Sales												
2	Retail Native Load Energy Sales (MWh)											
3	Retail Native Load Energy Sales including losses (MWh) ¹											
4	Long Term Energy Sales (MWh)											
5	Long Term Energy Sales including losses (MWh) ²											
6	Total Native Load Energy Sales (MWh)										(L2 + L4)	
7	Total Native Load Energy Sales including losses (MWh)										(L3 + L5)	
Fuel and Purchased Power Costs												
8	Fuel and Purchased Power Costs ³											
9	Short Term Sales Revenue Credit ⁴											
10	Wholesale Trading Activities Credit ⁵											
11	SO ₂ Allowance Sales Credit ⁶											
12	Net Fuel and Purchased Power Costs										(L8-L9-L10-L11)	
Base Fuel Rate & Forward Component Recovery												
13	PPFAC Retail Power Supply Costs										(L3 /L7*L12)	
14	Base Rate Power Supply Recovery										(L2 * L19)	
15	Forward Component Recovery ⁷										(L2 * L20)	
(Over)/Under Collections and Accrued Interest												
16	(Over)/Under Collections										(L13-L14- L15)	
17	Interest ⁸										(L1*L21)/12	
18	Tracking Account Balance ⁹										(L1 + L16 + L17)	

	Apr xx-Mar xx	Apr xx-Mar xx	Notes:
19	Total Base Cost of Fuel & Purchased Power - \$ per kWh ¹⁰	\$0.000000	1 Retail energy losses are the difference between billed retail energy sales and TEP's control area metered quantity.
20	Forward Component Rate - \$ per kWh	0.00000%	2 Long Term Energy Sales losses calculated using applicable EHV loss percentage as defined in appropriate OATT.
21	Interest Rate (as of 1/3/20xx) ⁸	0.00000%	3 Includes total native load and short term fuel and purchased power; includes line costs, sulfur credits and broker fees.
			4 Includes Short Term Sales Revenue at 100%
			5 10% of Wholesale Trading Activities net positive margins realized by TEP during the PPFAC year are credited annually against Fuel and Purchased Power Costs.
			6 100% of SO ₂ Allowance Sales credited against Fuel and Purchased Power Costs.
			7 Forward Component Rates \$/kWh Effective Apr 1 to Mar 31.
			8 Based on one-year Nominal Treasury Constant Maturities rate contained in the Federal Reserve Statistical Release, H-15 on the first business day of the calendar year.
			9 Tracking Account Balance Line 18 carried to Schedule 4, Line 1.
			10 \$(xxx) per kWh is the average base cost of fuel & purchased power rate per Decision No. xxxxx. Actual retail base cost of fuel rate varies by tariff.

Schedule presentation will appear to roundup \$'s and MWhs, however calculations are performed on an actual \$ and MWh basis with resultant Rates/kWh roundup to \$0.000000/kWh

TUCSON ELECTRIC POWER COMPANY

Schedule 4

Proposed PPFAC True-Up Component Rate Calculation Effective April 1, 20xx (\$ in thousands; True Up Component Rate in \$/kWh)

Line No.	PPFAC Historical Component Rate - Calculation	Current 4/1/20xx	Proposed 4/1/20xx	Increase / (Decrease)	
				\$ Values	%
1	Forward Component Tracking Account Balance (From Schedule 3, L18, Col S) 1, 2				
2	True-Up Component Tracking Account Balance (From Schedule 5, L8) 3				
3	Total True-Up Amount to be (refunded)/Collected Balance (L1+L2) 4				
4	Projected Native Load Energy Sales (KWh)				
5	Applicable True-Up Component Rate (\$/kWh) (L3 / L4)				

Notes:

¹ Estimated Forward Component Tracking Account Balance as of filing.

² Includes interest for those months that are projected.

³ Because the actual amount of revenue to be received in the forecasted months from application of the prior Applicable True-Up Component is not available at the time of the filing, Schedule 5 will reflect estimates for those periods as well as true-up calculations for the prior period estimates. See Schedule 5 for more detail.

⁴ Beginning Balance as of April 1, 20xx - to be carried forward to subsequent period PPFAC, True-Up Component Tracking account balance, Schedule 5, L1.

Schedule presentation will appear to roundup \$'s and MWhs; however calculations are performed on an actual \$ and MWh basis with resultant Rates/kWh roundup to \$0.000000/kWh

TUCSON ELECTRIC POWER COMPANY

Schedule 5

True-Up Component Tracking Account - Prior PPFAC True-Up Component Rate in Effect April 1, 20xx through Mar 31, 20xx
(\$ in thousands; rate in \$/kWh)

Line No.		Actual data												Forecasted data	
		Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13				
1a	TU Beginning Balance as of Apr. 1, 2009 ¹ and thereafter														
1b	FC Tracking Account Balance as of March 31, 20xx														
2	Revenue True-Up from January-March Estimate ²														
3	TU Adjusted Beginning Balance (L1 + L2)														
4	Applicable True Up Component Rate (\$/kWh)														
5	Retail Billed Sales Less Low-Income Sales (MWhs) ³														
6	Less Revenue from Application TU (L4 x L5) ⁴														
7	Monthly Interest (Line 3 * Int Rate/12) ⁵														
8	TU Ending Balance; (L3 - L6 + L7)														

Notes:

¹ Beginning Balance as of April 1, 20xx - carried forward April 1, 20xx PPFAC Filing.

² True-up is the result of using estimated revenue for January through March since the actual amount was not available at the time of prior period PPFAC filing.

³ Sales amounts are for energy billed beginning with the first billing cycle of April 20xx. Retail Billed Sales excludes low income customers not subject to the PPFAC Rate.

⁴ Generally, Line 4 x Line 5 = Line 6; however, differences may occur due to billing adjustments.

⁵ Based on one-year Nominal Treasury Constant Maturities rate contained in the Federal Reserve Statistical Release, H-15 on the first business day of the calendar year.

Schedule presentation will appear to roundup \$'s and MWhs; however calculations are performed on an actual \$ and MWh basis with resultant Rates/kWh roundup to \$0.000000/kWh

As of 1/3/2012

0.00%

TUCSON ELECTRIC POWER COMPANY

Lime Costs

el Imbalance Tracking Account - PPFAC Rate in effect Month/Day/Year
(\$ in thousands; Rates in \$/kWh)

	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Forecasted Tons								
Forecasted \$/Ton								
Forecasted Cost								
Forecasted Generation								
Expected \$/MWh								
Actual Tons								
Actual Costs								
Actual Generation								
Actual \$/MWh								

Sulfur Credit

**uel Imbalance Tracking Account - PPFAC Rate in effect Month/Day/Year
(\$ in thousands; Rates in \$/kWh)**

[illegible]

TUCSON ELECTRIC POWER COMPANY

Brokerage Costs

Fuel Imbalance Tracking Account - PPFAC Rate in effect Month/Day/Year
(\$ in thousands; Rates in \$/kWh)

	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13
--	--------	--------	--------	--------	--------	--------	--------

Costs

TEP MONTHLY PPFAC REPORT

Ascend Analytics
PowerSimm Planner
TEP

Monthly



	2012-06	2012-09	2012-10	2012-11	2012-12	2013-01	2013-02	2013-03	2013-04	2013-05	2013-06	2013-07	2013-08	2013-09	2013-10	2013-11	2013-12	2014-01	2014-02	2014-03
TEP PPFAC COSTS, \$000																				
Fuel Expense																				
Purchases Power Expense																				
Total Fuel & Purchase Power																				
Renewable Delta																				
Firm Purchase Power Demand Charges																				
Transmission Wheeling Charges																				
Net Position on Financial Gas Hedges																				
Total PPFAC Eligible Costs Excl Wholesale																				
FIRM LOAD, GWh																				
Retail Load with System Losses																				
Firm Wholesale Load																				
Total Firm Load Obligations																				
SALES, GWh																				
Retail Sales																				
System Sales																				
Total Sales																				
LOSSES, GWh																				
Retail Losses																				
Firm Losses																				
Total Losses																				
SALES WITH LOSSES, GWh																				
Retail Sales																				
Long-Term Wholesale Sales																				
Total System Losses																				
Total Sales with Losses																				
JURISDICTIONAL ALLOCATION																				
Energy Ratio																				
TOTAL PPFAC ELIGIBLE COSTS JURISDICTIONAL ALLOCATION																				
Thermal Production - FERC 501 and FERC 547																				
Purchased Power - Energy - FERC 555																				
Purchased Power - Demand - FERC 555																				
Transmission of Electricity by Others - FERC 565																				
Total PPFAC Eligible Costs Allocated to Retail																				
Less: Wholesale Sales Revenue																				

Environmental Compliance
Adjustor
Plan of Administration

**TUCSON ELECTRIC POWER COMPANY
ENVIRONMENTAL COMPLIANCE ADJUSTOR ("ECA")
PLAN OF ADMINISTRATION**

Table of Contents

1. General Description	1
2. Definitions.....	1
3. ECA Qualified Investments - FERC Accounts.....	2
4. Calculation of ECA Capital Carrying Costs	2
5. Calculation of ECA \$ per kWh Rate.....	2
6. Accounting.....	3
7. Recovery Period.....	3
8. Filing and Procedural Deadlines.....	3

Attachments

Schedule 1 - Qualified Investments for ECA

Schedule 2 – Capital Carrying Costs and Adjustor Calculation

1. GENERAL DESCRIPTION

This document describes the plan for administering the ECA as approved by the Arizona Corporation Commission ("Commission" or "ACC") for Tucson Electric Power Company ("TEP") in Decision No. XXXXX [DATE]. The ECA provides for the recovery of and return on capital investments and associated costs related to environmental investments made by TEP and not already recovered in base rates approved in Decision No. XXXXX or recovered through another Commission-approved mechanism. The ECA will be calculated annually based on the ECA Qualified Investments closed to plant-in-service during the preceding calendar year.

2. DEFINITIONS

ECA Qualified Investments – Investments in Qualified Environmental Compliance Projects. Each ECA Qualified Investment shall: 1) be classified in one or more of the FERC Plant In-Service accounts listed in Section 3 of this document, or any other successor FERC account, upon going into service; and 2) be tracked by a specific project number.

Qualified Environmental Compliance Projects - Those projects designed to comply with established environmental standards required by federal, state, tribal, or local laws and regulations. In general, these environmental standards include, but are not limited to the following: sulfur dioxide, nitrogen oxide, carbon dioxide, ozone, particulate matter, volatile organic compounds, mercury and other toxics, coal ash and other combustion residuals and water intake.

Capital Carrying Costs – Costs recovered through the ECA charge include return on ECA Qualified Investments based on TEP's Weighted Average Cost of Capital ("WACC") approved by the Commission in Decision No. XXXXX; depreciation expense; income taxes; property taxes; deferred income taxes and tax credits where appropriate; and associated operations and management ("O&M") costs.

Total Retail kWh Sales – Total retail kWh sales served under applicable ACC jurisdictional rate schedules as reported in TEP's FERC Form No. 1 for the prior calendar year.

3. ECA QUALIFIED INVESTMENTS - FERC ACCOUNTS

Each ECA Qualified investment may be classified in one or more of the FERC Plant In Service accounts listed below, any successor FERC account, or any other FERC Account approved by the Commission upon going into service. The Plant In-Service FERC Accounts shall include the following:

Steam Production:

- FERC Account 310 – Land and Land Rights
- FERC Account 311 – Structures and Improvements
- FERC Account 312 – Boiler Plant Equipment
- FERC Account 313 – Engines and Engine-Driven Generators
- FERC Account 314 – Turbogenerator Units
- FERC Account 315 – Accessory Electric Equipment
- FERC Account 316 – Miscellaneous Power Plant Equipment

Other Production:

- FERC Account 340 – Land and Land Rights
- FERC Account 341 – Structures and Improvements
- FERC Account 342 – Fuel Holders, Products and Accessories
- FERC Account 343 – Prime Movers
- FERC Account 344 – Generators
- FERC Account 345 – Accessory Electric Equipment
- FERC Account 346 – Miscellaneous Power Plant Equipment

Please note that this list may expand to include other accounts approved by the ACC in the future.

4. CALCULATION OF ECA CAPITAL CARRYING COSTS

The recoverable ECA Capital Carrying Costs used in calculating the ECA \$ per kWh rate will include: 1) Return on ECA Qualified Investments based on TEP's WACC approved by the Commission in Decision No. XXXXX; 2) depreciation expense; 3) income taxes; 4) property taxes; 5) deferred income taxes and tax credits where appropriate; and 6) associated O&M costs. The annual amount of Capital Carrying Costs to be recovered is subject to a cap equal to 0.25 percent of the total retail revenue requirement approved by the Commission in Decision No. xxxxx. The ECA Qualified Projects and the ECA recoverable costs calculation will be submitted by the Company to the Commission in the form of Schedule 1 and Schedule 2, as attached to this document.

5. CALCULATION OF ECA \$ PER KWH RATE

The ECA rate to be applied to customers' bills will be calculated by dividing the total ECA Capital Carrying Costs by Total Retail kWh Sales. The ECA will not exceed \$0.00025 per kWh. The initial ECA rate will be set to zero.

6. ACCOUNTING

From the effective date of the ECA, all ECA Capital Carrying Costs, including operating and maintenance expenses, depreciation, taxes, and the debt component of the WACC will be recorded in Other Regulatory Assets in Account 182.3, as they are incurred. Each month as the ECA surcharge revenues are billed, corresponding amortizations will be made from Account 182.3 and recorded in the proper income statement expense accounts. ECA Qualified Investments will continue to be accounted for as Plant In-Service.

7. RECOVERY PERIOD

The initial ECA measurement period will become effective August 1, 2013. The ECA per kWh rate is designed to recover the annual ECA Capital Carrying Costs over a 12-month period. Should the ECA be modified or discontinued, any unrecovered balance in the ECA regulatory asset shall continue to be recovered through the ECA surcharge until all such costs have been collected.

8. FILING AND PROCEDURAL DEADLINES

TEP will file the calculated ECA rate including all supporting data with the Commission for the previous calendar year on or before March 1st. See Schedules 1 and 2, attached.

The Commission Staff and interested parties shall have the opportunity to review the ECA filing and supporting data in the adjustor calculation. Unless the Commission has otherwise acted to suspend the filing or Staff has filed an objection by May 1st, the new ECA rate proposed by TEP will go into effect with the first billing cycle in May (without proration) and will remain effective for the following 12-month period.

Schedule 1: Qualified Investments for ECA
Electric Plant In Service for Calendar Year 20XX

Electric Plant in Service

Line No.	Project Tracking		(A)	(B)	(C)	(D)	(E)	(F)
	Number	Project Name	Purpose	In-Service Date	Total Cost	Total Cost	ACC Jurisdictional	
Qualified Environmental Compliance Projects								
1.	XXXX	Project A	Project A Purpose Description	MM/YY	\$	-	\$	-
2.	XXXX	Project B	Project B Purpose Description	MM/YY	\$	-	\$	-
3.	XXXX	Project C	Project C Purpose Description	MM/YY	\$	-	\$	-
4.	Total				\$	-	\$	-

Schedule 2: Capital Carrying Costs and Adjustor Calculation
Plant in Service for Calendar Year 20XX
Billing Period 1/1/20XX-12/31/XX

Line No.	ECA Rate Calculation	
	Qualified Net Plant	
1.	Qualified Environmental Compliance Projects (Schedule 1 - Total Line Color	\$
2.	Accumulated Depreciation	\$
3.	Cumulative Deferred Tax/Tax Credits	\$
4.	Qualified Net Plant (Line 1 - Line 2 - Line 3)	\$
5.	Pre-Tax Weighted Average Cost of Capital	
	ECA Revenue Requirement	
6.	Composite Return on ECA Net Plant (Line 4 * Line 5)	\$
7.	Annual Depreciation of Plant in Service	\$
8.	Applicable Property Tax	\$
9.	Associated O&M Expense	\$
10.	Total ECA Capital Carrying Costs (Line 6 + Line 7 + Line 8 + Line 9)	\$
11.	Total Company Retail Sales (kWh)	
12.	Calculated ECA Rate (\$/kWh) (Line 10 / Line 11)	
13.	ECA Rate Cap (\$/kWh)	\$
14.	ECA Rate (\$/kWh) Lesser of Line 13 or Line 14	\$

Lost Fixed Cost Recovery Mechanism Plan of Administration

**TUCSON ELECTRIC POWER COMPANY
LOST FIXED COST RECOVERY MECHANISM ("LFCR")
PLAN OF ADMINISTRATION**

Table of Contents

1. General Description	1
2. Definitions	1
3. LFCR Annual Incremental Cap	3
4. Filing and Procedural Deadlines	4
5. Compliance Reports	4

1. General Description

This document describes the plan of administration for the LFCR mechanism approved for Tucson Electric Power ("TEP" or "Company") by the Arizona Corporation Commission ("ACC") in Decision No. 73912 (June 27, 2013). The LFCR mechanism provides for the recovery of lost fixed costs, as measured by a reduction in non-fuel revenue, associated with the amount of energy efficiency ("EE") savings and distributed generation ("DG") that is authorized by the Commission and determined to have occurred. Costs to be recovered through the LFCR include the portion of transmission and distribution costs included in base rates exclusive of the Customer Charge and 50% of the demand rates in effect.

2. Definitions

Applicable Company Revenues – The amount of revenue generated by sales to retail customers, for all applicable rate schedules, less the amount attributable to sales to those residential customers who chose the Fixed Cost Option.

Current Period – The most recent adjustment year.

Demand Stability Factor – Fifty percent of Demand-based revenue (excluding any purchased power and fuel costs) produced by base rates.

Distribution and Transmission Revenue – The amount of revenue determined at the conclusion of a rate case by multiplying each participating rate class' adjusted test year billing determinants (kWh) by their approved distribution and transmission related charges. This will be determined by reducing each class' total retail revenue by the customer charge revenue, generation related revenue, purchased power and fuel costs and the Demand Stability Factor.

DG Savings – The amount of kWh sales or kW of capacity reduced by DG. TEP will use meter data for determining the kWh or kW lost through the implementation of DG systems unless a rare circumstance occurs where the meter data is not available at which time the lost sales will be quantified using statistical verification or output profile or other Commission authorized methods. Each year, TEP will use actual data through December to calculate the savings. The calculation of DG savings will consist of the following by class:

1. Cumulative Verified: The total kWh or kW reduction as metered each year less the total kWh or kW reduction metered in TEP's most recent general rate case test year (2011). The initial Cumulative Verified term of the LFCR will begin on January 1, 2013.

2. Current Period: The annual kWh or kW produced by the cumulative total of DG installations since the end of the test year used in TEP's most recent general rate case.
3. The only DG Savings that will be excluded from the calculated Lost Fixed Cost Revenue calculation are those kWh or kW that were lost as the result of actions by customers in excluded rate classes.
4. The annual kW capacity of the cumulative total of DG installations since the end of the test year used in TEP's most recent general rate case. For solar systems only, the actual kW capacity used to calculate lost revenues for applicable demand metered customers will be the actual solar generation measured by the Solar production meter coincident with the customer's maximum fifteen minute demand for the billing period.

Fixed Cost Option – The rate schedule choice for residential customers who prefer contributing to the recovery of Lost Fixed Cost Revenue in the form of an optional fixed rate added as an incremental charge to the Customer Charge in the applicable residential tariff rate. The total dollars paid as an incremental amount added to the otherwise effective Customer Charge will be accumulated over the Current Period and used to reduce the total Lost Fixed Cost Revenue recovered as part of the LFCR adjustment. The variable LFCR adjustment shall not be applied to residential customers who choose the Fixed Cost option. This rate will be reflected as an incremental addition to the customer charge on the otherwise effective tariff and made available to customers at the time of the first LFCR adjustment. Customers choosing this fixed option within the first twelve months subsequent to the initial effective date of the LFCR will be allowed to change back to the volumetric option one time without any penalties. After the initial twelve month period, customers will be required to stay on which ever option they choose for twelve full months before a change can be made.

EE Programs – Any program approved in TEP's Energy Efficiency/Demand Side Management ("EE/DSM") implementation plan.

EE Savings – The amount of sales, expressed in kWh or kW, reduced by Energy Efficiency activities as demonstrated by the Measurement, Evaluation, and Research ("MER") conducted for TEP's EE Programs. The Company's EE activities are being reviewed as part of the MER evaluation and will determine the total kWh or kW lost as a result of those activities. As part of this filing the Commission Staff will have the option of reviewing any portion of the filing they deem necessary to verify the filings accuracy. EE Savings shall be quantified based on the cumulative lost kWh or kW occurring starting January 1, 2013 and shall be reset as of the end of the test year in each subsequent rate case. The calculation of EE Savings will consist of the following by class:

1. Cumulative Verified: The cumulative total kWh or kW reduction as determined by the MER recognizing that the cumulative total is reset (to zero) at the end of each of TEP's most recent general rate case. The first such reset will be January 1, 2012, (the end of the Test Year in Decision 73912. The initial Cumulative Verified term of the LFCR will begin on January 1, 2013.
2. Current Period: The annual EE related sales reductions (kWh or kW). Each year, TEP will use actual MER data through December to calculate savings.

3. Excluded kWh reduction: The reduction of recoverable EE Savings calculated by subtracting the amount of EE Savings actually achieved by customers on Excluded Rate Schedules if included in the total reported in the annual EE/DSM filing.

Effective Period – The twelve month period beginning with July 1 of each year, when the LFCR will be charged.

Excluded Rate Schedules – The LFCR mechanism shall not apply to Traffic Signal and Street Lighting Service (PS41), Lighting Service (GS-50), Water Pumping Service (GS-43), or the Large Light and Power Services (LLP-14 and LLP-90) rate schedules.

LFCR Adjustment – An amount calculated by dividing Lost Fixed Cost Revenue (As reduced by the total incremental fixed cost option dollars paid by the residential customers who have chosen the Fixed Cost Option and will be based on the incremental increase in the customer charge they have paid over the twelve-months during the Current Period.) by the Current period's retail revenue (less the estimated sales to the residential customers who chose the Fixed Cost Option) during the Effective Period for the participating rate classes. This percentage based LFCR Adjustment will be presented on the customer's bills as two separate charges. These two charges will be developed by applying the weighted average proportion of the Energy Efficiency related lost revenues and the Distributed Generation related lost revenues as a proportion of total lost revenues falling under the 1% cap referenced herein. The weighted average proportions will be as shown on Schedule 3 of this Plan of Administration. These two separate percentage adjustment rates will be applied to all customer bills, excluding those on Excluded Rate Schedules.

Lost Fixed Cost Rate – A rate determined at the conclusion of a rate case by taking the sum of allowed Distribution and Transmission Revenue (which excludes the customer charge, the generation component and purchased power and fuel) for each rate class and dividing each by their respective class adjusted test year kWh and/or kW billing determinants.

Lost Fixed Cost Revenue – The amount of fixed costs not recovered by the utility because of EE and DG Savings during the measurement period. This amount is calculated by multiplying the Lost Fixed Cost Rate by Recoverable kWh Savings, by rate class.

Recoverable kWh Savings – The sum of EE and DG Savings by applicable rate class.

3. LFCR Annual Incremental Cap

The total LFCR Adjustment will be subject to an annual 1% year over year cap based on Applicable Company Revenues. If the annual incremental LFCR Adjustment results in a surcharge in excess of 1%, in total, of Applicable Company Revenues, any amount in excess of the 1% cap will be deferred for collection until the next year. Any deferred amounts will be collected in a subsequent year or rolled into the next rate case, whichever occurs first. Where the 1% cap limits the recovery of deferrals in any program year, and thus moves their recovery to the following year, a first-in, first-out ("FIFO") approach will be applied. In connection therewith, the new surcharges billed in the following year will first recover any such carried-over deferrals, and then recover new deferrals arising in that following year. The one-year Nominal Treasury Constant Maturities rate contained in the Federal Reserve Statistical Release H-15 or its successor publication will be applied annually to any deferred balance. The interest rate shall be

adjusted annually and shall be that annual rate applicable to the first business day of the calendar year.

The initial LFCR filing will reconcile unrecovered lost revenues from January 1, 2013 through December 31, 2013.

4. Filing and Procedural Deadlines

TEP will file the calculated Annual LFCR Adjustments, including all Compliance Reports, with the Commission for the previous year by May 15th of each year. Staff will use its best efforts to process the matter based on the results of the Company's annual EE/DSM and Renewable Energy Standard Tariff ("REST") filings such that the new LFCR Adjustments may go into effect by July 1st of each year. However, the new LFCR Adjustments will not go into effect until approved by the Commission.

5. Compliance Reports

TEP will provide comprehensive compliance reports to Staff and the Residential Utility Consumer Office by May 15th of each year. The information contained in the Compliance Reports will consist of the following schedules:

- Schedule 1 : LFCR Annual Percentage Adjustment Rates
- Schedule 2: LFCR Annual Incremental Cap Calculation
- Schedule 3: LFCR Calculation
- Schedule 4: LFCR Test Year Rate Calculation
- Schedule 5: Distribution and Transmission Revenue Calculation

Tucson Electric Power
Lost Fixed Cost Recovery Mechanism
Schedule 1: LFCR Annual Adjustment Rate (Percentage)
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Line No.	(A) Annual Per kWh Adjustment	(B) Reference	(C) Total
<u>Energy Efficiency Related Adjustment</u>			
1	Total Lost Fixed Cost Revenue for Current Period	Sch 2, Line 13 x Sch 3, Line 55	\$ -
2	Forecast of Applicable Company's Revenues	Schedule 2, Line 1	-
3	Percentage Adjustment Applied to Customer's Bills for EE	(Line 1 / Line 2)	0.0000%
<u>Distributed Generation Related Adjustment</u>			
4	Total Lost Fixed Cost Revenue for Current Period	Sch 2, Line 13 x Sch 3, Line 56	\$ -
5	Forecast of Applicable Company's Revenues	Schedule 2, Line 1	-
6	Percentage Adjustment Applied to Customer's Bills for DG	(Line 4 / Line 5)	0.0000%

Tucson Electric Power
Lost Fixed Cost Recovery Mechanism
Schedule 2: LFCR Annual Incremental Cap Calculation
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Line No.	(A) LFCR Annual Incremental Cap Calculation	(B) Reference	(C) Totals
1	Applicable Company Revenues		\$
2	Allowed Cap %		1.00%
3	Maximum Allowed Incremental Recovery	(Line 1 * Line 2)	\$ -
4	Total Lost Fixed Cost Revenue	Schedule 3, Line 57, Column C	\$ -
5	Total Deferred Balance from Previous Period	Previous Filing, Schedule 2, Line 11, Column C	-
6	Annual Interest Rate		0.00%
7	Interest Accrued on Deferred Balance	(Line 5 * Line 6)	-
8	Total Lost Fixed Cost Revenue Current Period	(Line 4 + Line 5 + Line 7)	\$ -
9	Lost Fixed Cost Revenue from Prior Period	Previous Filing, Schedule 2, Line 13, Column C	\$ -
10	Total Incremental Lost Fixed Cost Revenue for Current Year	(Line 8 - Line 9)	\$ -
11	Amount in Excess of Cap to Defer	(Line 10 - Line 3)	\$ -
12	Incremental Period Adjustment	[(Line 10 - Line 11) / Line 1]	-
13	Total Lost Fixed Cost Revenue for Current Period	(Line 8 - Line 11)	\$ -

Tucson Electric Power
Lost Fixed Cost Recovery Mechanism
Schedule 3: LFCR Calculation
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Line No.	(A) LFCR Fixed Cost Revenue Calculation	(B) Reference	(C) Totals	(D) Units
Residential				
<u>Energy Efficiency Savings</u>				
1	Current Period			kWh
2	% of Residential Customers choosing fixed-option		0.0%	
3	Excluded kWh reduction	(Line 1 * Line 2)	-	kWh
4	Net - Current Period	(Line 1 - Line 3)	-	kWh
5	Prior Period kWh EE losses	Previous Filing, Schedule 3, Line 6, Column C	-	kWh
6	Cumulative Recoverable kWh savings	(Previous Filing, Schedule 3, Line 6, Column C + Line 4)	-	kWh
7	Total Recoverable EE Savings	Line 6	-	kWh
8	Residential - Lost Fixed Cost Rate	Schedule 4, Line 3, Column C	\$ 0.0338	\$/kWh
9	Residential - Lost Fixed Cost Revenue Relating to EE	(Line 7 * Line 8)	\$ -	
<u>Distributed Generation</u>				
10	Current Period			kWh
11	% of Residential Customers choosing fixed-option		0.0%	
12	Excluded kWh reduction	(Line 10 * Line 11)	-	kWh
13	Net - Current Period	(Line 10 - Line 12)	-	kWh
14	Prior Period kWh DG losses	Previous Filing, Schedule 3, Line 15, Column C	-	kWh
15	Cumulative Recoverable kWh savings	(Previous Filing, Schedule 3, Line 15, Column C + Line 13)	-	kWh
16	Total Recoverable DG Savings	Line 15	-	kWh
17	Residential - Lost Fixed Cost Rate	Schedule 4, Line 3, Column C	\$ 0.0338	\$/kWh
18	Residential - Lost Fixed Cost Revenue Relating to DG	(Line 16 * Line 17)	\$ -	
Small General Service				
<u>Energy Efficiency Savings</u>				
19	Current Period		-	kWh
20	Prior Period kWh EE losses	Previous Filing, Schedule 3, Line 21, Column C	-	kWh
21	Cumulative Recoverable kWh savings	(Previous Filing, Schedule 3, Line 21, Column C + Line 19)	-	kWh
22	Total Recoverable EE Savings	Line 21	-	kWh
23	Small General Service - Lost Fixed Cost Rate	Schedule 4, Line 6, Column C	\$ 0.0349	\$/kWh
24	Small General Service - Lost Fixed Cost Revenue Relating to EE	(Line 22 * Line 23)	\$ -	
<u>Distributed Generation</u>				
25	Current Period		-	kWh
26	Prior Period kWh DG losses	Previous Filing, Schedule 3, Line 27, Column C	-	kWh
27	Cumulative Recoverable kWh savings	(Previous Filing, Schedule 3, Line 27, Column C + Line 25)	-	kWh
28	Total Recoverable DG Savings	Line 27	-	kWh
29	Small General Service - Lost Fixed Cost Rate	Schedule 4, Line 6, Column C	\$ 0.0349	\$/kWh
30	Small General Service - Lost Fixed Cost Revenue Relating to DG	(Line 28 * Line 29)	\$ -	

Tucson Electric Power
Lost Fixed Cost Recovery Mechanism
Schedule 3: LFCR Calculation
(\$000)

Line No.	(A) LFCR Fixed Cost Revenue Calculation	(B) Reference	(C) Totals	(D) Units
Large General Service - Delivery Revenue - Demand				
<u>Energy Efficiency Savings</u>				
31	Current Period		-	kW
32	Prior Period kW EE losses	Previous Filing, Schedule 3, Line 33, Column C	-	kW
33	Cumulative Recoverable kW savings	(Previous Filing, Schedule 3, Line 33, Column C + Line 31)	-	kW
34	Total Recoverable EE Savings	Line 33	-	kW
35	Large General Service - Lost Fixed Cost Rate	Schedule 4, Line 9, Column C	\$ 2.8651	\$/kW
36	Large General Service - Lost Fixed Cost Revenue Relating to EE	(Line 34 * Line 35)	\$ -	
<u>Distributed Generation</u>				
37	Current Period		-	kW
38	Prior Period kW DG losses	Previous Filing, Schedule 3, Line 39, Column C	-	kW
39	Cumulative Recoverable kW savings	(Previous Filing, Schedule 3, Line 39, Column C + Line 37)	-	kW
40	Total Recoverable DG Savings	Line 39	-	kW
41	Large General Service - Lost Fixed Cost Rate	Schedule 4, Line 9, Column C	\$ 2.8651	\$/kW
42	Large General Service - Lost Fixed Cost Revenue Relating to DG	(Line 40 * Line 41)	\$ -	
Large General Service - Delivery Revenue				
<u>Energy Efficiency Savings</u>				
43	Current Period		-	kWh
44	Prior Period kWh EE losses	Previous Filing, Schedule 3, Line 45, Column C	-	kWh
45	Cumulative Recoverable kWh savings	(Previous Filing, Schedule 3, Line 45, Column C + Line 43)	-	kWh
46	Total Recoverable EE Savings	Line 45	-	kWh
47	Large General Service - Lost Fixed Cost Rate	Schedule 4, Line 12, Column C	\$ 0.0042	\$/kWh
48	Large General Service - Lost Fixed Cost Revenue Relating to EE	(Line 46 * Line 47)	\$ -	
<u>Distributed Generation</u>				
49	Current Period		-	kWh
50	Prior Period kWh DG losses	Previous Filing, Schedule 3, Line 51, Column C	-	kWh
51	Cumulative Recoverable kWh savings	(Previous Filing, Schedule 3, Line 51, Column C + Line 49)	-	kWh
52	Total Recoverable DG Savings	Line 51	-	kWh
53	Large General Service - Lost Fixed Cost Rate	Schedule 4, Line 12, Column C	\$ 0.0042	\$/kWh
54	Large General Service - Lost Fixed Cost Revenue Relating to DG	(Line 52 * Line 53)	\$ -	
55	Total Lost Fixed Cost Revenue Related to Energy Efficiency	Sum Line 9 + 24 + 36 + 48	\$ -	
56	Total Lost Fixed Cost Revenue Related to Distributed Generation	Sum Line 18 + 30 + 42 + 54	\$ -	
57	Total Lost Fixed Cost Revenue	Sum Line 9 + 18 + 24 + 30 + 36 + 42 + 48 + 54	\$ -	

Tucson Electric Power
Lost Fixed Cost Recovery Mechanism
Schedule 4: LFCR Test Year Rate Calculation
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Line No.	(A) LFCR Fixed Cost Calculation	(B) Reference	(C) Total
	Residential Customers		
1	Delivery Revenue	Schedule 5, Line 5, Column F	\$ 122,620,959
2	kWh Billed	Forecasted	3,627,093,708
3	Lost Fixed Cost Rate	Line 1/Line 2	\$ 0.0338
	Small General Service		
4	Delivery Revenue	Schedule 5, Line 8, Column F	\$ 70,150,753
5	kWh Billed	Forecasted	2,012,114,954
6	Lost Fixed Cost Rate	Line 4/Line 5	\$ 0.0349
	Large General Service		
7	Delivery Revenue - Demand	Schedule 5, Line 13, Column F	\$ 9,797,047
8	kW Billed	Forecasted	3,419,489
9	Lost Fixed Cost Rate	Line 7/Line 8	\$ 2.8651
	Large General Service		
10	Delivery Revenue	Schedule 5, Line 16, Column F	\$ 5,319,772
11	kWh Billed	Forecasted	1,261,678,481
12	Lost Fixed Cost Rate	Line 10/Line 11	\$ 0.0042

Tucson Electric Power
Lost Fixed Cost Recovery Mechanism
Schedule 5: Delivery Revenue Calculation
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(A)		(B)	(C)	(D)	(E)	(F)
Rate Schedule		Adjusted Test Year Billing Determinants	Units	Delivery Charge	Demand Stability Factor	B x D x E Total Delivery Revenue
Line No.						
1	Residential Service (R-01)	3,368,532,306	kWh	\$ 0.0344	100%	\$ 115,917,455
2	Residential Service (R-80)	116,359,255	kWh	\$ 0.0259	100%	\$ 3,013,705
3	Residential Service (R-201AN)	131,427,481	kWh	\$ 0.0260	100%	\$ 3,410,736
4	Residential Service (R-201BN)	10,774,668	kWh	\$ 0.0259	100%	\$ 279,064
5	Subtotal - kWh	3,627,093,708	kWh	\$	\$	122,620,959
6	Small General Service (GS-10)	1,888,524,435	kWh	\$ 0.0349	100%	\$ 65,936,316
7	Small General Service (SGS-76)	123,590,518	kWh	\$ 0.0341	100%	\$ 4,214,437
8	Subtotal - kWh	2,012,114,954	kWh		\$	70,150,753
9	Large General Service (LGS-13) - kW	2,719,841	kW	\$ 6.08	50%	\$ 8,268,316
10	Large General Service (LGS-85) - kW	699,648	kW	\$ 4.37	50%	\$ 1,528,731
11	Subtotal - kW - Demand	3,419,489	kW		\$	9,797,047
12	Large General Service (LGS-13)	1,045,063,814	kWh	\$ 0.0049	100%	\$ 5,071,019
13	Large General Service (LGS-85)	216,614,667	kWh	\$ 0.0011	100%	\$ 248,753
14	Subtotal - kWh - Delivery	1,261,678,481	kWh		\$	5,319,772